

No. 892081

THE COMPANIES ACT 1985

WRITTEN RESOLUTIONS

of

LEIGH'S PAINTS

Dated 17 MAY 2004

PURSUANT TO SECTION 381A COMPANIES ACT 1985

We, the undersigned, being the only member of the Company who would on the above-stated date be entitled both to attend and vote at a general meeting of the Company HEREBY AGREE AND RESOLVE:

SPECIAL RESOLUTION

THAT the Company adopt new articles of association in the form attached hereto and marked "A" for identification purposes.

Shareholder

for and on behalf of
W & J Leigh & Co Limited

Signature

B.H. L..... Director

.....Director/Secretary



"A"

THE COMPANIES ACT 1948 TO 1985

UNLIMITED COMPANY

ARTICLES
OF ASSOCIATION

of

LEIGH'S PAINTS

(amended by special resolution dated 17 MAY 2004)

(Registered No. 893081)

ARTICLES OF ASSOCIATION

OF

LEIGH'S PAINTS

(amended by special resolution dated 17 MAY 2004)

PRELIMINARY

1. (1) The number of members with which the Company proposes to be registered as unlimited is five but the Directors may from time to time register an increase in members.

(2) The Company may by Special Resolution:-

(A) increase the share capital by such sum to be divided into shares of such amounts as the resolution may prescribe;

(B) consolidate its shares into shares of a larger amount than its existing shares;

(C) sub-divide its shares into shares of a smaller amount than its existing shares;

(D) 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;

(E) reduce its share capital in any way.

2. The Regulations of Table A, Part I, set out in the First Schedule to the Companies Act, 1948, shall not apply to this Company and in these Articles, unless the context otherwise requires:-

"The Act" shall mean the Companies Act, 1948, and every other Act incorporated therewith, or any Act or Acts of Parliament substituted therefore; and in case of any such substitution the references in these Articles to the provisions of the Act shall be read as references to the provisions substituted therefore in the new Act or Acts of Parliament.

"The Register" shall mean the register of members to be kept as required by section 110 of the Act.

"Month" shall mean calendar month.

"Paid up" shall include "credited as paid up".

"United Kingdom" shall mean Great Britain and Northern Ireland.

"Seal" shall mean the common seal of the Company.

"Office" shall mean the registered office for the time being of the Company.

"Secretary" shall include any assistant or deputy secretary and any person appointed to perform the duties of Secretary temporarily.

"In writing" shall include printed, lithographed, type-written, and visibly represented or reproduced by any other mode.

Words and expressions which have a special meaning assigned to them in the Act shall have the same meaning in these Articles.

Words importing the singular number only shall include the plural, and the converse shall also apply.

Words importing males shall include females.

Words importing individuals shall include corporations.

3. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company, nor shall the Company make any loan upon the security of its shares or those of its holding company, but nothing in this Article shall prohibit transactions mentioned in the proviso to section 54(1) of the Act.

4. The Company is a Private Company, and accordingly the following provisions shall have effect:-

(A) The Company shall not offer any of its shares or debenture to the public for subscription.

(B) The number of the members of the Company (not including persons who are in the employment of the Company and persons who, having been formerly in the employment of the Company, were while in that employment and have continued after the determination of that employment to be members of the Company) shall not at any time exceed fifty: Provided that where two or more persons hold one or more shares jointly they shall for the purposes of this Article be treated as a single member.

(C) The right to transfer shares in the Company shall be restricted in the manner hereinafter provided.

5. The Directors may at any time require any person whose name is entered in the register to furnish any information, supported (if the Directors so require) by a statutory declaration, which they may consider necessary for the purposes of determining whether or not the Company is an exempt Private Company within the meaning of subsection (4) of section 129 of the Act.

SHARE CAPITAL

6. (A) The share capital of the Company is £136,750 divided into 625 Preference Shares of £1 each, 123,750 Second Preference Shares of £1 each, 123,750 Third Preference Shares of 5 pence each and 123,750 New Ordinary Shares of 5 pence each.

(B) The profits of the Company which it shall be determined to distribute by way of dividend in respect of any financial year of the Company shall be applied as follows and in the following order, viz.:-

(i) In payment to the holders of the Preference Shares of a non-cumulative dividend at the rate of 10 per cent. per annum on the capital for the time being paid up on the Preference Shares held by them respectively (such dividend as respects such year to be payable only out of the profits of the year).

(ii) The balance of the said profits shall be distributable amongst the holders of the Second Preference Shares in proportion to the capital for the time being paid up on the Second Preference Shares held by them respectively.

(C) On a winding up the surplus assets distributable among the members shall be applied as follows and in the following order, viz:-

(i) In repayment of the capital paid up on the Preference Shares in priority to the other shares.

(ii) Subject thereto the surplus assets shall be distributable amongst the holders of the Second Preference Shares in proportion to the capital paid upon the Second Preference Shares.

Provided that the Second Preference Shares shall not confer on the respective holders thereof the right to vote at any General Meeting of the Company except upon a resolution for varying or modifying any of the rights for the time being attached to the Second Preference Shares.

SHARES AND CERTIFICATES

7. Subject to the provisions of Article 8 hereof, and without prejudice to any special rights previously conferred on the holders of existing shares in the Company, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine.

8. The Directors may with the consent in writing of the holders of at least three-fourths of the Preference Shares and three-fourths of the Deferred Ordinary Shares of the Company for the time being issued, but not otherwise, allot or dispose of or grant options over any shares of the Company which are unissued or any new shares which may be created upon an increase in capital.

9. Save as required by statute, the Company shall be entitled to treat the person whose name appears upon the register in respect of any share as the absolute owner thereof, and shall not (save as aforesaid) be under any obligation to recognise any trust or equity or equitable claim to or partial interest in such share, whether or not it shall have express or other notice thereof.

10. Every member shall be entitled without payment to one certificate under the seal for all the shares registered in his name, or in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares so registered. Every certificate shall specify the number and class of shares in respect of which it is issued and the distinctive numbers, if any, of such shares and the amounts paid up thereon respectively. Every such certificate shall be delivered to the member within two months after the allotment or lodging with the Company of the transfer, as the case may be, of the shares comprised therein.

11. If any member shall require additional certificates he shall pay for each additional certificate such sum, not exceeding 5p, as the Directors shall determine.

12. If any certificate be defaced, worn out, lost, or destroyed, a new certificate may be issued on payment of 5p. or such less sum as the Directors may prescribe, and the person requiring the new certificate shall surrender the defaced or worn-out certificate, or give such evidence of the loss or destruction of the certificate and such indemnity to the Company as the Directors think fit.

JOINT HOLDERS OF SHARES

13. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the provisions following:-

(A) The joint holders of any share shall be liable, severally as well as jointly, in respect of all payments which ought to be made in respect of such share.

(B) On the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by them.

(C) Any one of such joint holders may give effectual receipts for any dividend, bonus, or return of capital payable to such joint holders.

(D) Only the person whose name stands first in the register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share, or to receive notices from the Company, and any notice given to such person shall be deemed notice to all the joint holders.

(E) Any one of the joint holders of any share for the time being conferring a right to vote may vote either personally or by proxy at any meeting in respect of such share as if he were solely entitled thereto, provided that if more than one of such joint holders be present at any meeting, either personally or by proxy, the person whose name stands first in the register as one of such holders, and not other, shall be entitled to vote in respect of the said share.

CALLS ON SHARES

14. The Directors may from time to time make calls upon the members in respect of all moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the terms of issue thereof made payable at any fixed time; provided that no call shall exceed one-fourth of the nominal amount of the share, or be made payable within one month after the date when the last instalment of the last preceding call shall have been made payable; and each member shall, subject to receiving fourteen days' notice at least, specifying the time and place for payment, pay the amount called on his shares to the persons and at the time and places appointed by the Directors. A call may be made payable by instalments.

15. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

16. The Directors may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

17. If a call payable in respect of any share or any instalment of a call be not paid before or on the day appointed for payment thereof the holder for the time being of such share shall be liable to

pay interest on the same at such rate, not exceeding 10 per cent. per annum, as the Directors shall determine from the date appointed for the payment of such call or instalment to the time of actual payment; but the Directors may, if they shall think fit, waive the payment of such interest or any part thereof.

18. If by the terms of the issue of any shares, or otherwise, any amount is made payable at any fixed time, whether on account of the nominal amount of the shares or by way of premium, every such amount shall be payable as if it were a call duly made by the Directors, of which due notice had been given; and all provisions hereof with respect to the payment of calls and interest thereon, or to the forfeiture of share for non-payment of calls, shall apply to every such amount and the shares in respect of which it is payable.

19. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so paid in advance the Directors may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in General Meeting, 6 per cent. per annum) as may be agreed upon between the member paying the moneys in advance and the Directors.

TRANSFER AND TRANSMISSION OF SHARES

20. The instrument of transfer of any share in the Company shall be in writing, and shall be executed by or on behalf of the transferor and transferee, and duly attested, and the transferor shall (except as provided by paragraph 2(4) of the Seventh Schedule to the Act) be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

21. Shares in the Company may be transferred in any usual or common form which the Directors shall approve.

22. No member shall be entitled to transfer any share otherwise than in accordance with the following provisions:-

(1) A share may be transferred to a member or other person entitled to transfer, to any holder of shares selected by the transferor, but, save as provided by sub-Articles (8) and (9) of this Article, no share shall be transferred to a person who is not a holder of shares so long as any holder of shares is willing to purchase the same at the fair value.

(2) Except when the transfer is made pursuant to sub-Articles (1), (8) or (9) hereof the person proposing to transfer any shares (hereinafter called "the proposing transferor") shall give notice in writing (hereinafter called "the transfer notice") to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as the fair value, and shall constitute the Company his agent for the sale of the shares to any holder of shares at the price so fixed, or at the option of the purchaser at the fair value to be fixed by the Auditor of the Company for the time being in accordance with this Article. The transfer notice may include two or more shares, and in such case shall operate as if it were a separate notice in respect of each share, and it shall not be revocable as to all or any of the shares except with the sanction of the Directors whose powers shall be subject to the provisions of Article 104 hereof.

(3) If the Company shall within twenty-eight days after being served with the transfer notice find a holder or holders of shares willing to purchase all or any of the shares referred to in the transfer notice (hereafter called "the purchasing member of members"), and shall

give notice thereof to the proposing transferor, stating the name or names of the purchasing member or members, and showing whether he or they or which of them is or are willing to purchase at the fair value fixed by the proposing transferor or desires the fair value to be fixed by the Auditor, the proposed transferor shall be bound upon payment of the fair value to transfer the share or shares to the purchasing member or members.

(4) If any purchasing member desires, and is stated in the lastly mentioned notice to desire, the fair value to be fixed by the Auditor, the notice of this desire shall forthwith be given by the Directors to the Auditor, who shall thereupon certify in writing the sum which, in his opinion, is the fair value, and such sum shall be deemed to be the fair value, and in so certifying the Auditor shall be considered to be acting as an expert and not as an arbitrator, and accordingly the Arbitration Act, 1950, shall not apply.

(5) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any share or shares, the Company shall receive the purchase money on his behalf, and may authorise some person to execute a transfer of the share or shares in favour of the purchasing member, who shall thereupon be registered as the holder of the share or shares. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member, and after his name has been entered in the register the validity of the proceedings shall not be questioned by any person.

(6) If the Company shall not within the period mentioned in sub-Article (3) of this Article find a holder or holders of shares willing to purchase the shares at the fair value, and give the notices hereinbefore mentioned, the proposing transferor shall at any time within three months thereafter be at liberty (subject to Article 24 hereof) to sell and transfer the shares, or those not placed, to any person and at any price.

(7) Any shares specified in any transfer notice shall be offered to the holders of shares (other than the proposing transferor) pro rata to the number of shares held by each such holder.

(8) Subject to Article 23 hereof, any share standing in the name or names of a person or persons (including corporations) who are shown to be the trustee or trustees of any will or settlement may be transferred upon any change of trustee to the trustees for the time being of such will or settlement.

(9) Subject to Article 23 hereof, any share may be transferred to any person who is a lineal descendant of William Hilton Leigh, deceased, and Alice Leigh, deceased (the deceased grandparents of Philip Leigh-Bramwell, a first Director of the Company), or the spouse of such a lineal descendant.

23. The Directors may refuse to register any transfer of a share:

(A) where the Company has a lien on the share; or

(B) if it is not proved to their satisfaction that the transferee (not being already a holder of shares or a transferee under sub-Articles (8) or (9) of Article 22 hereof) is a satisfactory person to be received as a member, and the decision of the Directors on this point shall be conclusive; or

(C) if the registration of the transfer would make the number of members exceed the limit provided for in paragraph (B) or Article 4 hereof.

The Directors may also suspend the registration of transfers at such times and for such periods as they may from time to time determine, but so that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to recognise any instrument or transfer unless:

(A) a fee not exceeding 2s.6d is paid to the Company in respect thereof, and

(B) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors refuse to register a transfer of any shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal and return to him the instrument of transfer.

24. The Company shall be entitled to charge such fee, not exceeding 2s.6d. as the Directors may from time to time determine, for registering any probate, letters of administration, certificate of marriage or death or other instrument relating to or affecting the title to any shares.

25. On the death of any member (not being one of two or more joint holders of a share) the legal personal representatives of such deceased member shall be the only persons recognised by the Company as having any title to the share or shares registered in his name.

26. Any person becoming entitled to a share or shares by reason of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time be required by the Directors, elect either to be registered as a member in respect of such share or shares, or to make such transfer of the share or shares as the deceased or bankrupt person could have made. If the person so becoming entitled shall elect to be registered himself he shall give to the Company a notice in writing signed by him that he so elects. The Directors shall in either case have the same right to refuse or suspend registration as they would have had if the death or bankruptcy of the member had not occurred and the notice of election or transfer were a transfer executed by that member.

27. Any person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, unless and until he is registered as a member in respect of the share, be entitled in respect of it to receive notice of, or to exercise any right conferred by membership in relation to, meetings of the Company: Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to make such transfer as aforesaid, and if such notice is not complied with within ninety days after service thereof the Directors may thereafter withhold payment of all dividends and other moneys payable in respect of such share until the requirement of the notice has been complied with.

FORFEITURE OF SHARES AND LIEN

28. If any member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring him to pay so much of the call or instalment as is unpaid, together with interest accrued and any expenses incurred by reason of such non-payment.

29. The notice shall name a further day (not being earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment and all interest accrued and

expenses incurred by reason of such non-payment are to be paid, and it shall also name the place where payment is to be made. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which such call or instalment is payable will be liable to forfeiture.

30. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and any such forfeiture shall extend to all dividends declared in respect of the shares so forfeited, but not actually paid before such forfeiture.

31. Any shares so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of in such manner, either subject to or discharged from all calls made or instalments due prior to the forfeiture, as the Directors think fit; or the Directors may, at any time before such shares are sold or otherwise disposed of, annul the forfeiture upon such terms as they may approve. For the purpose of giving effect to any such sale or other disposition the Directors may authorise some person to transfer the shares so sold or otherwise disposed of to the purchaser thereof or other person becoming entitled thereto: Provided always that the powers of the Directors under this Article shall be subject to the provisions of Article 104 hereof.

32. Any person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of the forfeiture were presently payable by him to the Company in respect of the shares, together with interest thereon at such rate, not exceeding 10 per cent. per annum, as the Directors shall appoint, down to the date of payment, but his liability shall cease if and when the Company receive payment in full of all such moneys in respect of the shares. The Directors may, if they shall think fit, remit the payment of such interest or any part thereof

33. When any shares have been forfeited an entry shall forthwith be made in the register recording the forfeiture and the date thereof, and so soon as the shares so forfeited have been sold or otherwise disposed of an entry shall also be made of the manner and date of the sale or disposal thereof.

34. The Company shall have a first and paramount lien upon all shares held by any member of the Company (whether alone or jointly with other persons) and upon all dividends and bonuses which may be declared in respect of such shares, for all debts, obligations and liabilities of such member to the Company: Provided always that if the Company shall register a transfer of any shares upon which it has such a lien as aforesaid without giving to the transferee notice of its claim, the said shares shall, in default of agreement to the contrary between the Company and transferee, be freed and discharged from the lien of the Company.

35. The Directors may, at any time after the date for the payment or satisfaction of such debts, obligations or liabilities shall have arrived, serve upon any member who is indebted or under any obligation or liability to the Company, or upon the person entitled to his shares by reason of the death or bankruptcy of such member, a notice requiring him to pay the amount due to the Company or satisfy the said obligation or liability, and stating that if payment is not made or the said obligation or liability is not satisfied within a time (not being less than fourteen days) specified in such notice, the shares held by such member will be liable to be sold; and if such member or person entitled to his shares as aforesaid, the Directors may sell such shares without further notice, and for the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares so sold to the purchaser thereof.

36. Upon any sale being made by the Directors of any shares to satisfy the lien of the Company thereon, the proceeds shall be applied: First in the payment of all costs of such sale; next in satisfaction of the debts, obligations and liabilities of the member to the Company; and the residue (if any) shall be paid to the person entitled to the shares at the date of the sale, or as he shall in writing direct.

37. Any entry in the Directors' minute book of the forfeiture of any shares, or that any shares have been sold to satisfy a lien of the Company, shall be sufficient evidence, as against all persons claiming to be entitled to such shares, that the said shares were properly forfeited or sold, and such entry, the receipt of the Company for the price of such shares, and the appropriate share certificate, shall constitute a good title to such shares, and the name of the purchaser or other person entitled shall be entered in the register as a member of the Company, and he shall be entitled to a certificate of title to the shares and shall not be bound to see to the application of the purchase money, nor shall his title to the said shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or sale. The remedy (if any) of the former holder of such shares, and of any person claiming under or through him, shall be against the Company and in damages only.

38. Any capital raised by the creation of new shares shall, unless otherwise provided by the conditions of issue, be considered as part of the original capital, and shall be subject to the same provisions with reference to the payment of calls and the forfeiture of shares on non-payment of calls, transfer and transmission of shares, lien, or otherwise, as if it had been part of the original capital.

MODIFICATION OF RIGHTS

39. If at any time the capital is divided into different classes of shares, the rights attached to any class or any of such rights (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 72 of the Act, be modified, abrogated, or varied with the consent in writing of the holders of three-fourth of the issued shares of that 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. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall, *mutatis mutandis*, apply, but so that at every such separate General Meeting the quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll.

40. The rights attached to any class of shares shall not (unless otherwise provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held) be deemed to be modified or varied by the creation or issue of further shares ranking *pari passu* therewith.

GENERAL MEETINGS

41. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All General Meetings other than Annual General Meetings shall be called "Extraordinary General Meetings".

42. The Directors may whenever they think fit, and they shall upon a requisition made in writing by members in accordance with section 132 of the Act, convene an Extraordinary General Meeting. If at any time there shall not be present in England and capable of acting sufficient

Directors to form a quorum, the Directors in England capable of acting, or if there shall be no such Directors then any two members, may convene an Extraordinary General Meeting in the same manner as nearly possible as that in which General Meetings may be convened by the Directors, and the Company at such meeting shall have power to elect Directors.

43. In the case of an Extraordinary General Meeting called in pursuance of a requisition, unless such meeting shall have been called by the Directors, no business other than that stated in the requisition as the objects of the meeting shall be transacted.

44. An Annual General Meeting and an Extraordinary General Meeting for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least, and an Extraordinary General Meeting not for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served, and also of the day for which it is given, and shall specify the place, the day, and the hour of meeting, and in case of special business the general nature of the business. The notice shall be given in manner hereinafter mentioned or in such other manner (if any) as may be prescribed by the Company in General Meeting to such persons as are under these Articles entitled to receive such notices from the Company. Every notice calling an annual General Meeting shall specify the meeting as such.

45. A meeting of the Company shall, notwithstanding that it is called by shorter notice than specified in the last preceding Article, be deemed to have been duly called with regard to the length of notice if it is so agreed:-

(A) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and

(B) in the case of any other meeting, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

46. In every notice calling a meeting of the Company or of any class of members of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him, and that a proxy need not also be a member.

47. The accidental omission to give notice to any person entitled under these Articles to receive notice of a General Meeting, or the non-receipt by any such person of such notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

48. The business of an Annual General Meeting shall be to receive and consider the accounts and balance sheets, the reports of the Directors and Auditors, and any other documents required by law to be attached or annexed to the balance sheets, to elect Directors in place of those retiring, to elect Auditors and fix their remuneration, and to declare a dividend. All other business transacted at an Annual General Meeting, and all business transacted at an Extraordinary General Meeting, shall be deemed special.

49. No business shall be transacted at any General Meeting unless a quorum of members is present; and such quorum shall consist of not less than two members present in person or by proxy.

50. If within half an hour from the time appointed for a General Meeting a quorum be not present the meeting, if convened by or on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place; and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

51. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman, or if at any meeting he be not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the members present shall choose one of their number to be Chairman.

52. The Chairman may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted thereat.

53. At any General Meeting every question shall be decided in the first instance by a show of hands; and unless a poll be (on or before the declaration of the result of the show of hands) directed by the Chairman or demanded by at least three members entitled to vote, or by one or more members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting or 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, a declaration by the Chairman that a resolution has been carried, or not carried, or carried or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

54. If a poll be directed or demanded in the manner before mentioned it shall (subject to the provisions of Article 57 hereof) be taken at such time (but not more than thirty days after such direction or demand) and in such manner as the Chairman may appoint, and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was directed or demanded.

55. In the case of an equality of votes at any General Meeting, whether upon a show of hands or on a poll, the Chairman shall not be entitled to a second or casting vote.

56. No objection to the admission or rejection of any vote shall be taken except at the meeting or adjourned meeting at which the vote in dispute is given or tendered. The Chairman shall determine any such objection if made within due time, and such determination shall be final and conclusive.

57. A poll demanded upon the election of a Chairman or upon a question of adjournment shall be taken forthwith. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

VOTES OF MEMBERS

58. Subject to any special terms as to voting upon which any shares may for the time being be held, upon a show of hands every member present in person shall have one vote, and upon a poll every member present in person or by proxy shall have one vote for every share held by him.

59. If any member be a person of unsound mind he may vote by his committee, receiver, curator bonis or other legal curator.

60. No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of the shares held by him in the Company have been paid.

61. A resolution in writing signed by all the members for the time being entitled to receive notice of or to attend and vote at General Meetings, or being corporations by their duly authorised representatives shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held, and any such resolution may consist of several documents in like form each signed by one or more of such members or their representatives, but this Article shall not apply to a resolution which by the Act is required to be passed by the Company in General Meeting.

62. Upon a poll votes may be given either personally or by proxy.

63. The instrument appointing a proxy shall be in writing under the hand of the appointor, or of his attorney duly authorised in writing, or if such appointor be a corporation either under its common seal or under the hand of an officer or attorney so authorised. A member may appoint two or more persons as proxies in the alternative, but if he do so only one of such proxies may attend as such and vote instead of such member on any one occasion.

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

65. The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the office not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting at which the person named in such instrument is authorised to vote, or, in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default of the instrument of proxy shall not be treated as valid.

66. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

67. A note given or act done in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the appointor, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, unless notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting or poll at which the vote was given or the act was done.

68. An instrument appointing a proxy shall be in the following form, or in any other form of which the Directors shall approve:-

“LEIGH’S PAINTS

I, [_____] of [_____] in the county of [_____] being a member of the above-named Company, hereby appoint [_____] of [_____] or failing him [_____] of [_____] as my proxy to vote for me and on my behalf at the Annual (or Extraordinary, as the case may be) General Meeting of the Company to be held on the _____ day of _____ 19____, and at the adjournment thereof.

As witness my hand this day of 19 .”

69. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form, or in any form of which the Directors shall approve:-

“LEIGH’S PAINTS

I, [], of [], hereby appoint [] in the county of [], or failing him [] of [], as my proxy to vote for me and on my behalf at the Annual (or Extraordinary, as the case may be) General Meeting of the Company to be held on the [] day of [] 19 [], and at the adjournment thereof.

As witness my hand this _____ day of _____ 19__.

This form is to be used *in favour of the resolution.
against

Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out whichever is not desired."

DIRECTORS

70. Unless and until the Company in General Meeting shall otherwise determine the number of Directors shall not be less than two nor more than ten.

71. The first Directors of the Company shall be Philip Leigh-Bramwell, Helen Rosemary Leigh-Bramwell and Howard Lyn Temple.

72. A Director shall not be required to hold a share qualification.

73. The total remuneration of each of the Directors and of any Managing Director, including fees, salary, bonuses, commission, pension rights and all payments for services rendered or to be rendered to the Company, shall be determined by resolution of the Directors: Provided that no Director may vote as a Director upon any such resolution to determine his own remuneration and if he shall so vote his vote shall not be counted nor shall he be reckoned in estimating a quorum when his own remuneration is under consideration and provided also that no such resolution of the directors shall be of any effect unless and until the same shall have been approved and confirmed by

the Company in General Meeting. The Directors shall also be paid such travelling, hotel and other expenses as may properly be incurred by them in the execution of their duties, including any such expenses incurred in connection with their attendance at meetings of Directors and at General Meetings.

74. Subject to Article 73 hereof the Directors may award special remuneration out of funds of the Company to any Director going or residing abroad in the interests of the Company, or undertaking any work additional to that usually required of Directors of a company similar to this.

75. The Company shall act in accordance with the provisions of section 195 of the Act duly keep at the office such register, showing, as respects each Director, the number, description and amount of any shares in or debentures of the Company and of other bodies corporate in which he is interested, as is required by such section. Such register shall be open to inspection between the hours of 10am and 12 noon during the periods prescribed by the section and shall also be produced at the commencement of each Annual General Meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.

POWERS AND DUTIES OF DIRECTORS

76. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting, subject, nevertheless, to Articles 8, 84, 121 and 136 hereof and to the other provisions of these Articles and of the Act, and to such regulations, not being inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers conferred upon the Directors by this Article shall not be deemed to be abridged or restricted by any specific power conferred upon the Directors by any other Article.

77. The Directors with the approval of the Company in General Meeting 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 the Company or is allied to or associated with the Company, or any such subsidiary company, or who are or were at any time Directors or officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and with such approval as aforesaid may establish and subsidise or subscribe to any charitable or public object, and any institutions, associations, societies, clubs or funds calculated to be for the benefit of or to advance the interests of the Company, or of any such other company as aforesaid, or of any such person as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject to due compliance with any provisions of the Act, requiring particulars with respect to the proposed payment to be disclosed to the members of the Company and the proposal to be approved by the Company, any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument, and may vote in favour of the exercise of any of the powers aforesaid, notwithstanding that he is or may become interested therein.

78. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person, or 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 powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to delegate all or any of the powers, authorities and discretions vested in him.

79. The Company may exercise the powers conferred by section 35 of the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

80. The Company may exercise the powers conferred upon the Company by sections 119 and 120 of the Act with regard to the keeping of a dominion register, and the Directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

81. Subject to Article 84 hereof the Directors may raise or borrow for the purposes of the Company's business such sum or sums of money as they think fit, and may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future, including its uncalled capital, or by the issue, at such price as they may think fit, of debentures, either charged upon the whole or any part of the property and assets of the Company or not so charged, or in such other way as the Directors may think expedient.

82. Subject to Article 84 hereof any debentures or other securities issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

83. Subject to Article 84 hereof if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

84. The Directors shall not have power to create any mortgage or charge upon any part of the property and assets of the Company, or to issue debentures conferring any such charge, except with the consent in writing of the holders of at least one-half of the Preference Shares of the Company for the time being issued.

85. A Director may hold any office or place of profit under the Company in conjunction with the office of Director for such period, and (subject as hereinafter provided) on such terms as the Directors may determine, but as to remuneration subject to Article 73 hereof, and a Director or any firm in which he is interested may act in a professional capacity for the Company and he or such firm shall be entitled to remuneration for professional services as if he were not a Director :
Provided that nothing herein contained shall authorise a Director or any such firm to act as Auditor to the Company.

86. A Director may enter into or be interested in contracts or arrangements with the Company (whether with regard to any such office or place of profit or any such acting in a professional capacity or as vendor, purchaser or otherwise howsoever) and may have or be interested in dealings of any nature whatsoever with the Company and shall not be disqualified from office thereby. No such contract, arrangement⁵ or dealing shall be liable to be avoided, nor shall any Director so contracting, dealing or being so interested be liable to account to the Company for any profit arising

out of any such contract, arrangement or dealing to which he is a party or in which he is interested by reason of his being a Director of the Company.

87. (1) A Director who is in any way, whether directly or indirectly, interested in any contract or proposed contract shall declare the nature of his interest at a meeting of the Directors in accordance with the provisions of this Article.

(2) In the case of a proposed contract such declaration shall be made at the meeting of Directors at which the question of entering into the contract is first taken into consideration, or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of the Director held after he became so interested. Where the Director becomes interested in a contract after it is made, such declaration shall be made at the first meeting of Directors held after the Director becomes so interested.

(3) Except in respect of:-

(A) the exercise of any of the powers conferred by Article 77 or Article 89 hereof; and

(B) any agreement or arrangement to give any indemnity or security to any Director who has undertaken or is about to undertake any liability on behalf of the Company or to any other person or company for any liability or obligation of the Company for which any Director shall be personally responsible, whether by way of guarantee or otherwise; and

(C) any contract or resolution to allot shares or debentures to a Director; and

(D) any contract or arrangement in regard to the underwriting of shares or debentures by a Director; and

(E) any contractor or arrangement with any other company in which this Company is in any way interested or in which any Director is interested as director, officer, servant, creditor or member;

no Director shall vote as a Director in regard to any contract, arrangement or dealing in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall not be counted, nor shall he be reckoned in estimating a quorum when any such contract, arrangement, or dealing is under consideration.

(4) A general notice given to the Directors by a Director (if it is given at a meeting of Directors, or such Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given) to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that company or firm, shall for the purpose of this Article be deemed to be a sufficient declaration of interest in relation to any contract so made.

88. A Director may be or continue or may become a director or other officer or servant of, or otherwise interested in, any other company in which the Company is in any way interested and shall not (in the absence of an agreement to the contrary) be liable to account to the Company for any

emoluments or other benefits received or receivable by him as director, or officer or servant of, or from his interest in, such other company.

89. The Directors may exercise or procure the exercise of the voting rights attached to shares in any other company in which this Company is or becomes in any way interested, and may exercise any voting rights to which they are entitled as directors of any such other company in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, officers or servants of such other company, and fixing their remuneration as such, and may vote as Directors of this Company in connection with any of the matters aforesaid:

Provided that the powers granted by this Article shall not in any circumstances be exercisable by the Directors in connection with any stock, shares, debentures or other securities held by the Company in any other body corporate which is a subsidiary or sub-subsidiary of the Company as defined in section 154 of the Act without the sanction of the Company in General Meeting.

DISQUALIFICATION OF DIRECTORS

90. The office of a Director shall be vacated if the Director:-

- (A) becomes bankrupt or insolvent or compounds with his creditors generally;
- (B) becomes of unsound mind;
- (C) absents himself from the meetings of Directors for a period of six months without special leave of absence from the other Directors;
- (D) becomes prohibited from being a Director by reason of any order made under section 188 of the Act;
- (E) gives the Company one month's notice in writing that he resigns his office, but this paragraph shall not apply to a Managing Director holding office as such for a fixed term;
- (F) is requested to resign by notice in writing signed by members entitled to exercise between them a majority of the voting rights of the Company.

But any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Company or an entry shall have been made in the Directors' minute book stating that such Director has ceased to be a Director of the Company.

ROTATION OF DIRECTORS

91. At the Annual General Meeting in every year one-third of the Directors for the time being, or if their number is not three or a multiple of three then the number nearest to one-third, shall retire from office, the Directors to retire in each year being those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

92. The Company at the Annual General Meeting at which any Director retires in manner aforesaid may fill up the vacated office, and may fill up any other office which may then be vacant by electing the necessary number of persons. The Company may also at any Extraordinary General Meeting, on notice duly given, fill up any vacancies in the office of Director, or appoint additional Directors, provided that the maximum number fixed as hereinbefore mentioned be not exceeded.

93. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any General Meeting unless, not less than seven nor more than twenty-one days before the day appointed for the meeting, there shall have been left at the office notice in writing, signed by a member duly qualified to attend and vote at such meeting, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.

94. If at any General Meeting at which an election of Directors ought to take place, the place of any retiring Director be not filled up, such retiring Director shall if willing (unless a resolution for his re-election shall have been put to the meeting and lost) continue in office until the Annual General Meeting in the next year, and so on from time to time until his place has been filled up, unless at any such meeting it shall be determined to reduce the number of Directors in office.

95. The Company may from time to time in General Meeting increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office.

96. Subject to the provisions of Article 104 hereof, the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed as hereinbefore mentioned. Subject to the provisions of section 184 of the Act, any Director so appointed shall hold office only until the next following Annual General Meeting, when he shall retire, but shall be eligible for re-election.

97. The Company may by Ordinary Resolution, of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office (notwithstanding anything in these Articles or in any agreement between the Company and such Director), and may by an Ordinary Resolution appoint another person in his stead. The person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.

PROCEEDINGS OF DIRECTORS

98. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. Questions arising at any meeting shall be decided by a majority of votes. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice of a meeting of Directors need not be given to a Director who is not in the United Kingdom.

98A. (A) Directors (or their alternates) or other persons participating in the manner described in this articles shall be deemed to be present in person and to be holding a meeting.

(B) Any director (including an alternate director) or other person may participate in a meeting of the directors or a committee of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Resolutions and decisions of the kind normally made or taken at a physical meeting of the directors or a committee in accordance with these articles can accordingly be so made or taken in circumstances where none or only some of the directors or other persons are physically present with each other. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is.

(C) In determining whether the quorum requirements fixed by or in accordance with these articles are fulfilled as regards the transaction of business at any meeting of the directors or of a committee, the following shall be counted as a quorum:

- (i) in the case of a resolution approved by a meeting of the directors or of a committee held by telephone communication, all directors participating in such meeting;
- (ii) in the case of a meeting of the directors or of a committee, the directors actually present at such meeting and any other director in telephone communication with such meeting; and
- (iii) in the case of a meeting held by means of facsimile transmissions, all directors participating in such meeting by that means.

References in this article to a director shall include references to an alternate director who at the relevant time is entitled to receive notice of and to attend a meeting of the directors or, as the case may be, the relevant committee.

(D) The directors or a committee authorised to do so by the directors may by telephone or telex communication or by facsimile reproduction authorise the secretary or any director to use the seal and the transmission of such authority shall constitute a determination in such a case that the secretary [or the designated director above] may sign any instrument to which the seal is to be affixed pursuant to that authority, and regulation 101 of Table A shall be modified accordingly.

99. The Chairman of any meeting of the Board of Directors shall not be entitled to a second or casting vote and, in the case of an equality of votes upon any proposition, the Directors shall either

- (1) forthwith convene an Extraordinary General Meeting of the Company for the purpose of considering and voting upon such proposition, or
- (2) refer the proposition for consideration and voting at the next General Meeting to be held.

100. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company, but for no other purpose.

101. Subject to the provisions of Article 104 hereof, the Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office; but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.

102. A memorandum in writing signed by all the Directors for the time being entitled to receive notice of a meeting of Directors and annexed or attached to the Directors' minute book shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted. Any such memorandum may consist of several documents in like form each signed by one or more of such Directors.

103. The Directors may delegate any of their powers to committees consisting of such one or more of their body as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Directors. The regulations herein contained for the meetings and proceedings of Directors shall, so far as not altered by any regulations made by the Directors, apply also to the meetings and proceedings of any committee.

104. The powers of the Directors under Articles 22(2), 31, 96, 101 and 105 hereof shall not be exercised except with the sanction of an Ordinary Resolution of the Company. All acts done by any meeting of the Directors or of a committee of Directors, or by any persons acting as Directors, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

MANAGING DIRECTORS

105. Subject to the provisions of Article 104 hereof, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors of the Company, and may, subject to the provisions of Article 73 hereof, fix his or their remuneration either by way of salary or commission or by conferring a right to participation in the profits of the Company, or by a combination of two or more of those modes, and may provide as a term of his appointment that there be paid to him, his widow or other dependants, a pension or gratuity on retirement or death.

106. Every Managing Director shall, subject to the provisions of any contract between himself and the Company with regard to his employment as such Managing Director, be liable to be dismissed or removed by the Board of Directors, and another person may be appointed in his place.

107. A Managing Director shall not, while he continues to hold that office, be liable to retire by rotation, and he shall not be taken into account in determining the rotation in which the other Directors shall retire or the number to retire, but he shall be subject to the same provisions as regards resignation, removal and disqualification as the other Directors, and if he ceases to hold the office of Director from any cause he shall ipso facto cease to be a Managing Director.

108. The Directors may from time to time entrust to and confer upon the Managing Director all or any of the powers of the Directors (except the power to make calls, forfeit shares, borrow money, or issue debentures) that they may think fit. But the exercise of all such powers by the Managing Director shall be subject to such regulations and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied.

109. (A) The Directors may from time to time appoint any person in the employment of the Company or of any subsidiary company of the Company to be a Divisional Director of the Company and may from time to time remove from office any person so appointed,
- (B) Until otherwise determined by the Company in General Meeting, the number of Divisional Directors for the time being shall not exceed eight.
- (C) A Divisional Director shall not require a share qualification.
- (D) Save as otherwise agreed between him and the Company, the appointment of any person to be a Divisional Director shall not affect the terms and conditions of his employment by the Company or by a subsidiary or holding company of the Company, whether as regards his duties, remuneration or otherwise.
- (E) *The office of a Divisional Director shall be vacated*
- (i) If a receiving order be made against him, or he makes any arrangement or composition with his creditors generally.
 - (ii) *If he becomes of unsound mind.*
 - (iii) If he be prohibited from taking any part in the management of the Company by an Order made under any provision of the Statutes.
 - (iv) *If he resigns his office as a Divisional Director by notice in writing of the Company.*
 - (v) If he ceases to be in the employment of the Company or a subsidiary company of the Company in some capacity other than that of a Divisional Director.
 - (vi) If he be removed by a resolution of the Directors.
- (F) The Divisional Directors shall not be subject to appointment or reappointment by the Company in General Meeting or to retirement by rotation and shall not be taken into account in computing the minimum or maximum number of Directors fixed by or in accordance with these Articles or in determining the rotation of retirement of Directors or the number of Directors to retire by rotation, and the appointment, continuance in office, removal, powers, duties and remuneration of the Divisional Directors shall be determined by the Directors.
- (G) The Divisional Directors shall not be taken into account in calculating the quorum at any meeting of the Directors at which any Divisional Director may be present, and the Divisional Directors shall not, except with and to the extent of the sanction of the Directors:-

- (i) Have any right of access to the books of the Company.
- (ii) Be entitled to receive notice of, or to attend or vote at, meetings of the Directors.
- (iii) Be entitled to participate in any other respect in the exercise of any of the collective powers or duties of the Directors, or to exercise any of the

individual powers or rights of a Director under these Articles (including this Article).

SECRETARY

110. The Directors shall appoint a Secretary, and shall fix his remuneration and terms and conditions of employment.

111. No person shall be Secretary who is either:-

- (A) the sole Director of the Company;
- (B) a corporation the sole director of which is the sole Director of the Company; or
- (C) the sole director of a corporation, which is the sole Director of the Company.

112. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

MINUTES

113. The Directors shall cause minutes to be made in books provided for the purpose:-

- (A) of all appointments of officers made by the Directors;
- (B) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (C) of all resolutions and proceedings at all meetings of the Company and of Directors and of committees of Directors.

THE SEAL

114. The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

DIVIDENDS

115. Subject to the rights of the holders of any shares entitled to any priority, preference or special privileges, all dividends shall be declared and paid to the members in proportion to the amounts paid up on the shares held by them respectively. No amount paid on a share in advance of this Article as paid on the share. All dividends shall, subject as aforesaid, be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend from a particular date it shall rank accordingly.

116. The Directors shall lay before the Company in General Meeting a recommendation as to the amount (if any) which they consider should be paid by way of dividend, and the Company shall

declare the dividend to be paid, but such dividend shall not exceed the amount recommended by the Directors.

117. No dividend shall be paid otherwise than out of the profits of the Company.

118. The Directors may from time to time pay to the members, or any class of members, such interim dividends as appear to the Directors to be justified by the profits of the Company.

119. The Directors may deduct from the dividends payable to any member all such sums of money as may be due from him to the Company on account of calls or otherwise

120. The Company may transmit any dividend or bonus payable in respect of any share by ordinary post to the registered address of the holder or, in the case of joint holders, of one of the holders of such share or to such person and address as the holder or joint holders may direct, and shall not be responsible for any loss arising in respect of such transmission.

121. No dividend shall bear interest as against the Company.

122. The Directors may, with the sanction of a Special Resolution of the Company passed at an Extraordinary General Meeting, but not otherwise, distribute in kind among the members by way of dividend any of the assets of the Company, and in particular any shares or securities of other companies to which this Company is entitled: provided always that no distribution shall be made which would amount to a reduction of capital except in the manner appointed by law.

RESERVE FUND

123. Before recommending a dividend the Directors may set aside any part of the net profits of the Company to a reserve fund, and may apply the same either by employing it in the business of the Company or by investing it in such manner (subject to Article 3 hereof) as they shall think fit, and the income arising from such reserve fund shall be treated as part of the gross profits of the Company. Such reserve fund may be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an insurance fund, equalising dividends, paying special dividends or bonuses, or for any other purpose for which the net profits of the Company may lawfully be used, and until the same shall be so applied it shall be deemed to remain undivided profit. The Directors may also carry forward to the accounts of the succeeding year or years any profit or balance of profit which they shall not think fit to divide or to place to reserve.

CAPITALISATION OF PROFITS

124. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and a loss account or otherwise available for distribution and accordingly that such sum be set free for distribution among the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on, any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and among such members in the proportion aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution: Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article,

only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

125. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment-in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

126. The Directors shall cause proper books of account (being such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.) to be kept with respect to

- (A) all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place;
- (B) all sales and purchases of goods by the Company; and
- (C) the assets and liabilities of the Company.

12.7. The books of account shall be kept at the office, or (subject to the provisions of section 147(3) of the Act) at such other place or places as the Directors may determine, and, shall always be open to the inspection of the Directors. The Directors may from time to time by resolution determine whether and to what extent, and at what times and places, and on what conditions the books and accounts of the Company, or any of them, shall be open to the inspection of the members (not being Directors) and the members shall have only such rights of inspection as are given to them by the Act or by such resolution as aforesaid.

128. The Directors shall from time to time in accordance with sections 148, 150 and 157 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

129. A copy of every balance sheet, including every document required by law to be annexed thereto, which is to be laid before the Company in General Meeting, together with a copy of the Auditor's report, shall, not less than twenty-one clear days before the date of the meeting, be sent to every member (whether he is or is not entitled to receive notices of General Meetings of the Company), every holder of debentures of the Company (whether he is or is not so entitled), and all other persons so entitled, but this Article shall not require a copy of such documents to be sent to any person to whom, by virtue of paragraph (B) of the proviso to subsection (1) of section 158 of the Act, the Company is not required to send the same.

AUDIT

130. Auditors shall be appointed and their duties regulated in the manner provided by sections 159 to 162 of the Act.

NOTICES

131. A notice may be served by the Company upon any member either personally or by sending it through the post addressed to such member at his registered address.

132. No member shall be entitled to have a notice served on him at any address not within the United Kingdom or Ireland; but any member whose registered address is not within the United Kingdom or Ireland may by notice in writing require the Company to register an address within the United Kingdom or Ireland, which, for the purpose of the service of notices, shall be deemed to be his registered address. A member who has no registered address within the United Kingdom or Ireland, and has not given notice as aforesaid, shall not be entitled to receive any notices from the Company.

133. Any notice, if sent by post, shall be deemed to have been served at the expiration of forty-eight hours after the same shall have been posted; and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and stamped and put into the post office or into any post box subject to the control of the Postmaster-General.

134. A notice may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within the United Kingdom or Ireland supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

135. Subject to such restrictions affecting the right to receive notices as are for the time being applicable to the holders of any shares, notice of every General Meeting shall be given in any manner hereinbefore authorised to

(A) every member except those members who (having no registered address within the United Kingdom or Ireland) have not supplied to the Company an address within the United Kingdom or Ireland for the giving of notices to them; and

(B) the Auditor for the time being of the Company.

No other person shall be entitled to receive notices of General Meetings.

INDEMNITY

136. Every Director, Managing Director, Agent, Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 448 of the Act in which relief is granted to him by the court.

RECONSTRUCTION AND WINDING UP..

137. The powers conferred upon the Company by sub-clauses (T), (U) and (V) of clause 3 of the Memorandum of Association shall not be exercised nor shall any stock, shares, debentures or other securities held by the Company in any other body corporate which is a subsidiary or sub-subsidiary of the Company as defined in section 154 of the Act be disposed of or otherwise dealt with without the sanction of a Special Resolution of the Company passed at an Extraordinary General Meeting and either the consent in writing of the holders of three-fourths of the Deferred Ordinary Shares of the Company for the time being issued or the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the Deferred Ordinary Shares to which the provisions of Article 39 relating to separate General Meetings shall apply.

138. In a winding, up any part of the assets of the Company, including any shares in or securities of other companies, may with the sanction of an Extraordinary Resolution of the Company be divided among the members of the Company in specie, or may, with the like sanction, be vested in trustees for the benefit of such members, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares whereon there is any liability