

COMPANY REGISTRATION NUMBER 1400613

**EAST LONDON SMALL BUSINESS CENTRE LIMITED
PASSING OF SPECIAL RESOLUTIONS**

At an Extraordinary General Meeting of the East London Small Business Centre Limited duly convened and held at Universal House 88-94 Wentworth Street London E1 7SA on Tuesday 14th June 2005 at 5.00 pm the following special resolutions were duly passed by the members of the company:

1. AMENDMENT TO MEMORANDUM OF ASSOCIATION

THAT the memorandum of association of the Company be and is hereby altered by:

deleting clause 3 (xii) and clause 4 and replacing them with the clause numbered 3 (xii) and clause numbered 4 in the reprinted memorandum of association produced to the meeting and signed, for the purpose of identification, by the chairman of the meeting;

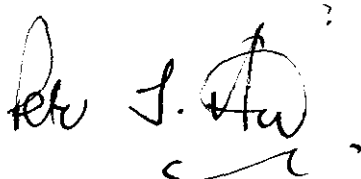
replacing any reference to the "Council of Management or governing body" with "Directors" as in the reprinted memorandum of association produced to the meeting and signed, for the purpose of identification, by the chairman of the meeting.

2. ADOPTION OF NEW ARTICLES OF ASSOCIATION

THAT the regulations contained in the printed articles of association document produced to the meeting and signed, for the purpose of identification, by the chairman of the meeting, be and are hereby adopted as the articles of association of the Company in substitution for the existing articles of association of the Company.

Signed.....  K. J. Ridley (Company Secretary)

Date 14th June 2005





**MEMORANDUM OF ASSOCIATION
&
ARTICLES OF ASSOCIATION
OF
FOR EAST LONDON SMALL BUSINESS CENTRE LIMITED
COMPANY NUMBER 1400613

A COMPANY LIMITED BY GUARANTEE**

JUNE 2005

A handwritten signature in black ink, appearing to be 'K. P. A.', with a long, sweeping underline.

THE COMPANIES ACTS 1948 TO 1976

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL.

MEMORANDUM OF ASSOCIATION

OF

EAST LONDON SMALL BUSINESS CENTRE LTD.

- 1 The name of the Company is "EAST LONDON SMALL BUSINESS CENTRE LIMITED".
- 2 The registered office of the Company will be situated in England.
- 3 The objects for which the Company is established are:
 - (a)* to promote and encourage industry and commerce in the United Kingdom and in particular in the London boroughs of Tower Hamlets and Newham by the provision of centres for the supply to the public, co-operative and private enterprises and others and to their employees of such information, advice, guidance, consultation or services as the Company may from time to time consider desirable for the encouragement in particular of the formation and development of small businesses;
 - (b) In furtherance of such objects the Company shall have the following powers:
 - (i) to collect and circulate and to procure to be written, printed and published industrial statistics, data, reports, periodicals, books and information of all kinds and to arrange and provide for or join in arranging or providing for the holding of meetings, lectures, classes, seminars, conferences and exhibitions;
 - (ii) to purchase, take on lease or exchange, hire or otherwise acquire for any estate or interest any property whether real or personal and of any description whatsoever and wheresoever situate and any rights or privileges;
 - (iii) to acquire any estate or interest in land and to construct maintain and alter any offices, houses, buildings or to execute work;
 - (iv) to hold, sell, manage, lease, mortgage, dispose of or otherwise deal with or grant rights and privileges over all or any part of the property or assets of the Company.
 - (v) to borrow and raise money in such manner as the Company may think fit;
 - (vi) to make loans, grants or gifts and give or provide credit and financial accommodation to any person or body of persons (not

being a member of Company) on such terms whether as to security or otherwise as may seem appropriate.

- (vii) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants and other negotiable or transferable instruments.
- (viii) to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets, present and future, of the Company, or by both such methods, the performance of the obligations financial or otherwise, of any company, which is for the time being a subsidiary of the Company (as defined in section 154 of the Companies Act 1948);
- (ix) to make such steps by personal or written appeals, public meetings or otherwise as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the Company, in the shape of donations, annual subscriptions or otherwise howsoever;
- (x) to print, publish and sell or distribute gratis any newspapers, periodicals, books or leaflets relating to the objects of the Company;
- (xi) to invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or properties as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- (xii)****to establish, subsidise, promote, co-operate or federate with, affiliate or become affiliated to, act as or carry out the office or offices of trustees, executors, administrators, liquidators, receivers, attorney, nominees or agents.
- (xiii) to retain or employ professional, administrative or technical advisors, consultants or employees in connection with the objects of the Company and to pay such reasonable fees or remuneration for their services;
- (xiv) to undertake, execute, exercise and do any charitable trust, discretion, instrument, act or a thing which may lawfully be undertaken by the Company;
- (xv)** to enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise or any person and to obtain from such government, authority or person any rights, privileges, characters, contracts, patents, trade marks or other intellectual or industrial property rights, licences and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply therewith;

- (xvi) to establish and maintain or to provide a superannuation or pensions fund or scheme for the employees, officers or servants of the Company and their husbands, wives, widows, children and dependants;
- (xvii) to establish and support and to aid in the establishment and support of any association or body of persons (whether or not incorporated) having objects not inconsistent with the objects of this Company;
- (xviii) to amalgamate with any companies, institutions, societies or associations, (whether or not incorporated) which exist or are proposed to exist, for any purpose which in the opinion of the Company may be conducive to any of the objects of the Company or which carry on or are intended to carry on any activity which the Company may similarly approve;
- (xix) to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more companies, institutions, societies or associations with which the Company is authorised to amalgamate;
- (xx) to subscribe or guarantee money for any purpose other than the pursuance of profit which shall be deemed likely directly or indirectly to further the objects of the Company;
- (xxi) to do all or any of the acts, instrument, deeds, things or matters hereby authorised either alone or in conjunction with, or as trustees, representative, agents or factors for any company, firm or person or by and through any trustees, representatives, agents and factors;
- (xxii) to do all such lawful things as shall in the opinion of the Company further the attainment of the objects of the Company or any of them.

PROVIDED ALWAYS that:-

- i. in case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
- ii. the objects of the Company shall not extend to the regulation of relations between workers and employers or between organisations of workers and organisations of employers;
- iii. in case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without authority, approval or consent as may be required by the law, and as regards any such Directors of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Directors have been if no incorporation had

been effected, and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such Directors but they shall as regards any such property be subject jointly and separately to such control or authority as if the Company were not incorporated.

*** 4. The income and capital of the Company must be applied solely towards the promotion of the Objects. No part of the income or capital may be paid or transferred, directly or indirectly, to the members of the Company, whether by way of dividend or bonus or in any other way that amounts to a distribution of profit or surplus. This does not prevent the payment:

- (a) of reasonable and proper remuneration to any member or any Director, officer or servant of the Company for any services provided to the Company;
- (b) of interest on money lent by any member of the Company or any Director at a rate per annum not exceeding 2 per cent less than the minimum lending rate prescribed for the time being by the Bank of England or 3 per cent. whichever is the greater;
- (c) of reasonable and proper rent for premises demised or let by any member of the Company (including any Director);
- (d) to any Director of out-of-pocket expenses; and
- (e) of all preliminary expenses of the Company or any company promoted by the Company or any company in which the Company is or may contemplate being interested for the purposes of the Company.

5. The liability of the members is limited.

6. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same becoming wound up while he is a member, or within one year after he ceases to be a member, for the payment of the debts and liabilities of the Company contracted before he ceases to be a member and the costs, charges and expenses of winding-up and for the adjustment of rights of the contributories among themselves, such amount as may be required not exceeding TEN POUNDS (£10).

7. If upon the winding up or dissolution of the Company there remains after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of clause 4 hereof such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some other object.



WE, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association.

NAMES ADDRESSES AND DESCRIPTIONS OF THE SUBSCRIBERS

| <u>Name and description</u> | <u>Address</u> |
|--|--|
| IAN MIKARDO MEMBER OF PARLIAMENT | 89 Grove Hall Court, London NW8 9NS |
| GERALD HINE BA, MA(Ed), MBIM, ASSISTANT PROVOST CITY OF LONDON POLYTECHNIC | 84 Moorgate, London E.C.2. |
| BRIAN WRIGHT DEPARTMENT HEAD LONDON CHAMBER OF COMMERCE AND INDUSTRY. | 40 Myddleton Square, London E.C.1. |

WITNESS to the above signatures:-

Witness to
Ian Mikardo MAUREEN WHITE 26th October 1978
7 York Road.
London N11
PRIVATE SECRETARY

Witness to
Gerald Bine Hilary Warren 27th October 1978
8 St. David's Court
Grosvenor Road
Wanstead E11
PERSONAL ASSISTANT

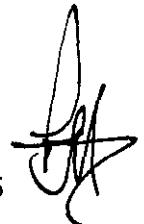
Witness to
Brian Wright DR. K. WEISSHOPS 23rd October 1978
79 Bear Road
Brighton
JOURNALIST

* Amended by Special Resolution dated 17 May 1994

** Original Clause 3(b) (xv) deleted by Special Resolution dated 28 March 1983

*** Amended by Special Resolutions 28 March 1983, 18 April 1994 and 14 June 2005

**** Amended by Special Resolution 14 June 2005

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Company number 1400613



THE COMPANIES ACTS 1985 AND 1989

**A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

OF

EAST LONDON SMALL BUSINESS CENTRE LIMITED

(adopted by special resolution passed on 14th June 2005)

INTERPRETATION

1. None of the regulations in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, shall apply to the Company.

2. (a) In these articles:

Act means the Companies Act 1985 including any statutory modification or re-enactment of it for the time being in force;

Byelaws means the Byelaws of the Company made by the directors under the powers conferred on them by these articles, as from time to time altered;

Chief Executive means the person appointed by the **Directors** to the office of Chief Executive.

clear days in relation to the period of a notice or otherwise means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

Directors means the directors for the time being of the company

electronic communication means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):

- (i) by means of a telecommunications system (within the meaning of the Communications Act 2003); or
- (ii) by other means but while in an electronic form; but
- (iii) shall not include communication transmitted by facsimile;

executed includes any mode of execution;

registered office means the registered office of the Company;

seal means the common seal of the Company;

secretary means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

Statutes means the Act and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act;

Company means East London Small Business Centre Limited;

these articles means these articles of association, as from time to time altered; and

United Kingdom means Great Britain and Northern Ireland.

- (b) Unless the context otherwise requires, words or expressions contained in these articles bear the same meaning as in the Act but excluding any statutory modification of them not in force when these articles become binding on the Company.
- (c) Unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations.
- (d) Headings to these articles are inserted for convenience only and shall not affect construction.

MEMBERS

- 3. Unless otherwise determined by ordinary resolution, the number of members shall not be less than 5 or more than 25.
- 4. The subscribers to the memorandum of association of the Company and such other persons as the Directors shall admit to membership shall be members of the Company. No person shall be admitted as a member of the Company unless he is approved by the Directors and has complied with such conditions as the Directors may from time to time prescribe for applicants for membership. Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the Directors require executed by him at least 3 days before the date at which the application is to be considered. The sole right of admission to membership shall be vested with the Directors who may without showing cause refuse to admit any person as a member of the Company. Any person admitted as a member of the Company shall also be appointed as a Director.
- 5. Membership shall not be transferable.
- 6. A member of the Company shall cease to be a member (and shall also cease to be a Director) if:



- (a) he resigns by giving one month's written notice to the Company;
- (b) he dies;
- (c) he is excluded from membership under article 7;
- (d) he becomes bankrupt or makes any arrangement or composition with his creditors generally or being a body or being a company goes into liquidation *other than for the purposes of solvent reconstruction*;
- (e) he otherwise ceases to qualify for membership under these articles (including without limitation where he ceases to be or to be eligible to be a Director); or
- (f) he shall for more than 18 consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated by resolution of a majority of at least three-fourths of the Directors present and voting at a meeting at which not less than two-thirds of the total numbers of Directors are present. For avoidance of doubt a Director retiring by rotation does not cease to be a member of the Company unless such member is not re-elected pursuant to article 31.

Cessation of membership:

- (i) shall not entitle the former member to repayment of any part of any subscription or levy previously paid by him; and
 - (ii) shall not affect the former member's liability to pay any subscription or levy which became due and payable before he ceased to be a member.
7. Any member may be excluded from membership of the Company by resolution of a majority of at least three-fourths of the Directors present and voting at a meeting at which not less than two-thirds of the total numbers of Directors are present. Such member shall have 7 clear days' notice sent to him of the meeting and he shall be entitled to attend the meeting and be heard in defence but shall not be entitled to be present at the voting or take part in the proceedings otherwise than as the Directors shall permit.
8. For the purposes of the Act there shall be only one class of membership. Other classes of membership may be established from time to time by the Directors but persons admitted to those classes shall not be members for the purposes of the Act. The Directors shall also have power at their discretion to discontinue admissions to any class of membership not conferring membership for the purposes of the Act or to close down any such class or classes. Particulars of persons admitted to the classes which do not confer membership for the purposes of the Act will not be entered in the register of members.

GENERAL MEETINGS

9. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- (a) The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an

extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

10. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a Director shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
 - (a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 95% of the total voting rights at the meeting of all the members.
11. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. The notice shall be given to all the members and to the Directors and auditors.
12. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

13. No business shall be transacted at any meeting unless a quorum is present. Three persons entitled to vote upon the business to be transacted, each being a member shall be a quorum.
14. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting:
 - (a) if convened upon the requisition of members shall be dissolved; or
 - (b) if convened otherwise than upon the requisition of members, shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present or ceases to be present then the other member or members present shall be a quorum.
15. The chairman, if any, of the Directors or in his absence the deputy chairman, if any, or some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor the deputy chairman or such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman, save that the Chief Executive or any employee of the Company may not be Chairman of the meeting.



16. If no Director is willing to act as chairman, or if no Director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman,
17. The chairman may, with the consent of a 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 an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
18. A resolution put to the vote of a meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
 - (a) by the chairman; or
 - (b) by at least 2 members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
19. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
20. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
21. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
22. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
23. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
24. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other

case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

VOTES OF MEMBERS

25. On a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have 1 vote and on a poll every member present in person shall have 1 vote.
26. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, *curator bonis* or other person authorised in that behalf appointed by that court.
27. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
28. A resolution in writing executed on behalf of all the members of the Company who would be entitled to vote on it if it had been proposed at a general meeting shall be as valid and effectual as if it had been passed at a general meeting duly convened and held. The resolution may be contained in one document or in several documents in like form each stating the terms of the resolution accurately and executed by or on behalf of one or more of the members. This article is in addition to, and not limited by, the provisions in sections 381A, 381B and 381C of the Act.

APPOINTMENT AND RETIREMENT OF DIRECTORS

29. Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than 5 or more than 25.
30.
 - (1) A person may not be a Director unless he is a member.
 - (2) All members for the time being of the Company shall also be Directors.
 - (3) A Director being an individual must be at least 18 years of age but must not have attained the age of 70 save as provided in Article 31(c).
31.
 - (a) At every annual general meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one Director who is subject to retirement by rotation, he shall retire.
 - (b) The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who become or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
 - (c) The retiring Directors shall, if willing to act, offer themselves for reappointment. Directors are not eligible for reappointment after their 70th birthday unless the Directors agree there are exceptional circumstances that result in the Director being eligible to stand for reappointment.

32. A person who is chairman is not subject to rotation under article 31. A chairman who is not re-elected may remain a Director and as such must offer himself for re-appointment as a Director at the annual general meeting, immediately after the third anniversary of his last appointment as Chairman and thereafter will be subject to retirement provisions contained in article 31.
33. If a Director is required to retire at an annual general meeting by a provision of these articles the retirement shall take effect upon the conclusion of the meeting.
34. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy, the retiring Director, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
35. No person other than a Director retiring by rotation shall be appointed or re-appointed Director at any general meeting unless:
- (a) he is recommended by the Director; or
 - (b) not less than 3 nor more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed or re-appointed and provided further that such a person is admitted as a member under article 4.
36. Not less than 3 nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or re-appointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors.
37. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these articles and provided further that such person is admitted as a member under article 4. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not reappointed at that annual general meeting, he shall vacate office at the conclusion of that meeting.
38. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining

the Directors who are to retire by rotation at the meeting. If not reappointed at that annual general meeting, he shall vacate office at the conclusion of that meeting.

39. Subject as aforesaid, a Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

REMOVAL AND DISQUALIFICATION OF DIRECTORS

40. The office of a Director shall be vacated if:
- (a) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director/or a director of a company; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he is, or may be, suffering from mental disorder;
 - (d) he resigns his office by notice to the Company;
 - (e) the Directors resolve that his office be vacated by resolution of a majority of at least three-fourths of the Directors present and voting at a meeting at which not less than two-thirds of the total numbers of Directors are present;
 - (f) he is removed from office under section 303 of the Act or by extraordinary resolution of the Company
 - (g) he ceases to be a member; or
 - (h) at the next Annual General Meeting following his 70th birthday he is not entitled to stand for reappointment, subject to article 31(c).

POWERS OF DIRECTORS

41. Subject to the provisions of the Act, the memorandum of association and these articles and to any directions given by special resolution, the business of the Company shall be managed by Directors who may exercise all the powers of the Company. No alteration of the memorandum or these articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.

The powers given by this article shall not be limited by any special power given to the Directors by these articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

42. Without prejudice to any other of their powers, the Directors may exercise any of the powers conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.



43. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS


44. The Directors may delegate any of their powers to any Director or to any committee consisting of one or more Directors and such persons as they think fit. Any such delegation may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more Directors shall be governed by the articles regulating the proceedings of Directors so far as they are capable of applying. The committee may not meet unless a Director is present.

DIRECTORS' EXPENSES AND REMUNERATION

45. All Directors may be paid all travelling, hotel, and other expenses properly and reasonably incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties.
46. Subject to the provisions of the Act, the Directors may appoint one or more of their number to any executive office including a Chief Executive of the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit subject to the requirements that the remuneration is related to services undertaken in the administration of the Company and that the remuneration does not exceed such a sum as is reasonable in all the circumstance having regard to the services actually undertaken on behalf of the Company and its income. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company. The Directors may also (without prejudice to any claim for damages for breach of any agreement between the Director and the Company) remove a director from any executive office. An employee that is also a Director may not vote on any contract relating to his terms of office. An employee who is also a Director cannot be appointed as chairman or deputy chairman.

DIRECTORS' APPOINTMENTS AND INTERESTS

47. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

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- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefits

subject to such disclosure, a Director employed by the Company shall not be entitled to vote in respect of any contract of employment or employment arrangement with the Company.

48. For the purposes of article 47:

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified in accordance with section 317 of the Act; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

PROCEEDINGS OF THE DIRECTORS

- 49. Subject to the provisions of these articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary shall at the request of a director call a meeting of the Directors. Notices of meetings of the Directors shall be given to all Directors.
- 50. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
- 51. The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be 3.
- 52. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 53. The chairman in collaboration with the Chief Executive shall draw up the agenda for meetings of the Directors and shall ensure that the Directors' decisions are validly executed.
- 54.
 - (a) Following each annual general meeting the Directors may elect from their number a chairman of the Directors to serve as chairman until the next annual general meeting, there being no maximum limit of successive terms of office. If the chairman holding office at the time of the annual general meeting is willing to be re-elected as chairman he must provide notice to the Directors not less than 3 nor more than 35 clear days' before the annual general meeting. One or more deputy chairmen may be elected, if desired, at any

annual general meeting by the elected chairman. An employee of the Company cannot be a chairman or deputy chairman.

- (b) The chairman or, if the chairman is absent or unwilling to act, the deputy chairman shall preside at every meeting of the Directors at which they are present. But if there is no Director holding any such office, or if both the chairman and the deputy chairman are unwilling to preside or are not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting. An employee of the Company cannot be a chairman or deputy chairman.
55. All acts done by a meeting of the Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
56. (a) A resolution in writing executed by or on behalf of all the Directors entitled to receive notice of a meeting of the Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held. The resolution may be contained in one document or in several documents each stating the terms of the resolution accurately and executed by one or more Directors.
- (b) In this article references to a document being "executed" include it being "approved by letter or electronic communication".
57. Where proposals are under consideration concerning the appointment of two or more Directors to offices with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
58. If a question arises at a meeting of the Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

59. A Director may participate in a meeting of the Directors or (as the case may be) a committee of Directors through the medium of a telephone conference or video conference or similar form of communication equipment notwithstanding that the persons participating may not all be meeting in one place if all those participating can hear and speak to each other throughout the meeting. A Director participating in this way is deemed to be present in person at the meeting and is counted in the quorum and entitled to vote. A resolution passed by the Directors at such a meeting shall be as valid as it would have been if passed at an actual meeting duly convened and held.

SECRETARY

60. Subject to the provisions of the Act, the secretary shall be appointed by the Directors for such term and upon such conditions consistent with clause 4 of the memorandum of association as they may think fit; and any secretary so appointed may be removed by them. Anything required or authorised to be done by or to the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or if there is none such, by or to any officer of the Company authorised generally or specially in that behalf by the members of the Company.

MINUTES

61. The Directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the Directors;
 - (b) of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the members or Directors present at each such meeting; and
 - (c) of all Byelaws made by the Directors

SEAL

62. (a) The Directors shall provide for the safe custody of any seal which the Company may have.
- (b) The seal shall be used only by the authority of the Directors or a duly authorised committee but that authority may consist of an instruction or approval given by letter, electronic communication or telephone by a majority of the Directors or of the members of a duly authorised committee.
- (c) The Directors may determine who shall sign any instrument to which the seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.
- (d) Unless otherwise decided by the Directors every instrument to which the seal is applied shall be signed by at least one Director and the secretary or by at least two Directors.

ACCOUNTS

63. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors.

BYELAWS

64. The Directors shall have power to make Byelaws concerning such matters regarding the government and management of the Company as they may from time to time think fit and to revoke or alter the Byelaws, provided that no Byelaw shall have effect if and to the extent that it is inconsistent with the memorandum of association, these articles or any Statutes.

NOTICES

65. Any notice to be given to or by any person pursuant to these articles shall be in writing (except that a notice calling a meeting of the Directors need not be in writing).
66. The Company may give any notice to a member either personally or by sending it by prepaid first class post to his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.
67. A member present at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
68. Proof that an envelope containing a notice was properly addressed, prepaid and posted (by first class post) shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 24 hours after the envelope containing it was so posted.

INDEMNITY

69. Subject to the provisions of and to the extent permitted by the Statutes, every Director or other officer (excluding an auditor) of the Company shall be indemnified out of the assets of the Company against any liability loss, costs and expenses incurred or sustained by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which the Director is acquitted or in connection with any application in which relief is granted to the Director by the court from liability for negligence, breach of duty or breach of trust in relation to the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, but:
- (a) this indemnity shall not apply to any liability to the extent that it is recovered from any other person; and
 - (b) the indemnity is subject to such officer taking all reasonable steps to effect such recovery, so that the indemnity shall not apply to the extent that an alternative right of recovery is capable of being enforced.