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**THE COMPANIES ACT 1985**

**PUBLIC COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**WATERFORD WEDGWOOD UK plc**



1. <sup>1</sup>The Company's name is "WATERFORD WEDGWOOD U.K., plc".
2. The Company is to be a public company
3. The Company's registered office is to be situated in England and Wales
4. The Company's objects are:-
  - 4.1<sup>2</sup>
    - 4.1.1 To acquire and hold on such terms as may be thought fit the share capitals of, or the undertakings of any other company or any part of such share capitals or undertakings, and to co-ordinate the activities of any companies or undertakings and generally to act as a holding company and to provide all management, secretarial, accountancy, financial or other services in connection therewith as maybe thought fit and to carry on any other business or activity of any nature whatsoever which may seem to the Directors to be capable of being conveniently or advantageously carried on in connection or conjunction with any business of the Company hereinbefore or hereinafter authorised or to be expedient with a view directly or indirectly to enhancing the value of or to rendering profitable or more profitable any of the Company's assets or utilising its skills, know-how or expertise;
  - 4.2 To carry on the business of an investment company in all its branches, and to acquire by purchase, lease, concession, grant, licence or otherwise such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, debenture stock, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the Company shall deem fit and generally to hold, manage, develop, lease, sell or dispose of the same and to vary any of the investments of the Company, to act as trustees of

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<sup>1</sup> The company was incorporated under the name of day offer public limited company, and changed its name by Special Resolution dated 8 October 1986 to Waterford Wedgwood Holdings plc and to Waterford Wedgwood UK plc by Special Resolution passed on 8 September 1989.

<sup>2</sup> The Memorandum of Association was amended by Special Resolution dated 8 October 1986 and 11 June 1990.

any deeds constituting or securing any debentures, debenture stock or other securities or obligations;

- 4.3 To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company;
- 4.4 To purchase or by any other means acquire and take options over any property whatever, an any rights or privileges of any kind over or in respect of any property;
- 4.6 To apply for, register, purchase, or by other means acquire and protect, prolong and renew whether in the United Kingdom or elsewhere, any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire;
- 4.6 To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;
- 4.7 To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company;
- 4.8 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- 4.9 To fend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any man and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid);

- 4.10 To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on It;
- 4.11 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- 4.12 To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;
- 4.13 To enter into any arrangement with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions;
- 4.14 To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world;
- 4.15 To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies;
- 4.16 To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;

- 4.17 To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same;
- 4.18 To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts;
- 4.19 To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient;
- 4.20 To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company;
- 4.21 To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business, to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and serviced for any persons who are or have been Directors off or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary companies and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- 4.22 If and only to the extent permitted by the Act, to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- 4.23
- 4.23.1 To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the Company or of any other company which is its holding company or in which the Company or any such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of

any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any other such company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any other such company or subsidiary undertaking or pension fund and (ii) to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability; for the purposes of this clause "holding company" and "subsidiary undertaking" shall have the same meanings as in the Companies Act 1989.

4.23.2 To distribute among the Members of the Company in kind any property of the Company of whatever nature;

4.24 To procure the Company to be registered or recognised in any part of the world;

4.25 To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others;

4.26 To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:-

1. None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company;
2. None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company;
3. The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to Include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
4. In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to

include a reference to any statutory modification or re-enactment of that provision for the time being in force.

5. The liability of the Members is limited.
6. The Company's share capital is £67,000,001 divided into 220,000,004 Ordinary Shares of 25p each, and 1,200,000,000 Income shares of 1p each.<sup>3</sup>

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<sup>3</sup>

The Company was incorporated with an authorised share capital of £100,000 divided into 100,000 Ordinary Shares of £1 each. By Special Resolution passed on 21st October 1986, that authorised share capital was increased to £61,200,001 divided into 1 Convertible Special Share of £1: 220,000,000 Ordinary Shares of 25p each and 620,000,000 Income Shares of 1 p each By Special Resolution dated 28 March 1990 the authorised Share Capital was increased to £63,500,001 by the creation of 230,000,000 new Income Shares ranking pari passu with the existing Income Shares.

WE, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

| NAMES AND ADDRESSES OF<br>SUBSCRIBERS                              | NUMBER OF SHARES TAKEN BY<br>EACH SUBSCRIBER |
|--------------------------------------------------------------------|----------------------------------------------|
| MICHAEL RICHARD COUNSEL<br>15 Pembroke Road<br>Bristol BS99 7DX    | One                                          |
| CHRISTOPHER CHARLES HADLER<br>15 Pembroke Road<br>Bristol BS99 7DX | One                                          |
| Total shares taken                                                 | Two                                          |

Dated the 12th day of September 1986.

Witness to the above signatures;-

ERROL SAND/FORD  
15 Pembroke Road  
Bristol BS99 7DX.

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**WATERFORD WEDGWOOD U.K. plc**

**PRELIMINARY**

**1. Table A not to apply**

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

**2. Interpretation**

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

|                 |                                                                                                             |
|-----------------|-------------------------------------------------------------------------------------------------------------|
| The Act         | The Companies Act 1985.                                                                                     |
| The Statutes    | The Act and every other Statute for the time being in force concerning companies and affecting the Company. |
| These Articles  | These Articles of Association as from time to time altered.                                                 |
| Office          | The registered office of the Company for the time being.                                                    |
| Register        | The register of members of the Company.                                                                     |
| Transfer Office | The place where the Register is situate for the time being.                                                 |
| Seal            | The Common Seal of the Company.                                                                             |
| Waterford       | Waterford Wedgwood plc, incorporated in Ireland under the Irish Companies Acts 1908 – 1924 and 1963 – 1983. |

|                          |                                                                                                                                                                                                                                                                                            |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Waterford Ordinary Share | An ordinary Share of 5 pence in Waterford.                                                                                                                                                                                                                                                 |
| Dividend Election        | A Dividend Election made in accordance with the provisions of the Articles of Association of Waterford by a member of Waterford in respect of Waterford Ordinary Shares held by such member.                                                                                               |
| Stock Unit               | One Waterford Ordinary Share in respect of which the holder has made or is entitled to make a Dividend Election, and one Income Share held by the same person with the same designation which ranks for dividends (if any) on the Income Shares when such a Dividend Election is in force. |
| Securities Seal          | An official seal kept by the Company by virtue of Section 40 of the Act.                                                                                                                                                                                                                   |
| The United Kingdom       | Great Britain and Northern Ireland.                                                                                                                                                                                                                                                        |
| Month                    | Calendar month.                                                                                                                                                                                                                                                                            |
| Year                     | Calendar year.                                                                                                                                                                                                                                                                             |
| In writing               | Written or produced by any substitute for writing or partly one and partly another.                                                                                                                                                                                                        |
| Paid                     | Paid or credited as paid.                                                                                                                                                                                                                                                                  |

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

The expression 'Employees' Share Scheme' bears the meaning ascribed thereto by Section 743 of the Act

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary including a joint, assistant or deputy Secretary.

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

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

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

Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

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

### **SHARE CAPITAL**

3. The Authorised Share Capital of the Company is £67,000,001 divided into 220,000,004 Ordinary Shares of 25 pence each and 1,200,000,000 non-voting Income Shares of 1 penny each (hereinafter called the "Income Shares"). The rights attaching to each of such classes of Shares are set out below:-

#### **3.1 Income Shares**

##### **3.1.1 Income**

Subject to the provisions of Articles 117 and 118, those holders of Income Shares who have given a Dividend Election which remains in force in relation to Waterford Ordinary Shares held by them shall be entitled to payment of dividends in respect of the Income shares comprised in the same Stock Units. For the avoidance of doubt it is hereby declared that the dividends may be paid on some Income Shares but not on other Income Shares;

##### **3.1.2. Voting and Meetings**

The holders of the Income Shares shall have the right to receive notice of and to attend a General Meeting of the Company only if a Resolution is to be proposed thereat abrogating or varying any of the special rights of the holders of the Income Shares and may speak and vote only on any such Resolution. Save as aforesaid, the Income Shares shall not confer upon the holders thereof the right to receive notice of, attend, speak or vote at any General Meeting of the Company. Whenever the holders of the Income Shares are entitled to vote at a General Meeting of the Company, on a show of hands every holder thereof who is present in person or (being a corporation) by a representative shall have one vote and on a poll every holder thereof who is present in person or proxy or (being a corporation) by a representative shall have one vote in respect of each fully paid Income Share registered in the name of such holder;

##### **3.1.2 Capital**

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of shares) the holders of the Income Shares shall be entitled to the repayment of a sum equal to the nominal capital paid up or credited as paid up on the Income Shares held by them respectively in priority to any repayment of capital on any other class of share. The Income Shares shall not confer upon the holders thereof any rights to participate further in the assets of the Company;

#### **3.1.4 Transfer**

Any Income Share may at any time be transferred to any person, provided that:-

- (i) at the same time, a Waterford Ordinary Share (i) comprised in the same Stock Unit or (ii) not comprised in a Stock Unit but which will following registration of transfer of an Income Share be comprised in a Stock Unit is transferred to the same person; or
- (ii) such person is the holder of Waterford Ordinary Shares not comprised in a Stock Unit who will after such transfer hold Stock Units, provided that no Income Shares may be transferred to such a person which will not after such transfer be comprised in a Stock Unit; or
- (iii) such person is the holder of not less than 75% of the Ordinary Shares for the time being in issue;

Save as aforesaid, an Income Share shall not be transferable, except to the holder of an Ordinary Share in accordance with paragraphs 3.1.5 or 3.1.6 below;

#### **3.1.5 Acquisition of all Income Shares by election**

Either one of:- ,

- (i) a holder of Income Shares who has obtained the consent in writing of the holders of three-quarters in nominal value of the issued Income Shares or the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of Income Shares; or
- (ii) a holder of Ordinary Shares who has obtained the consent in writing of the holders of three-quarters in nominal value of the issued Ordinary Shares or the sanction of an Extraordinary Resolution passed at a General Meeting of the holders of the issued Ordinary Shares and the approval of the Directors, shall, by giving a notice in writing (an "Option Notice") to the Company on behalf of all of the holders of shares to acquire all of the issued Income Shares. Upon receipt of an Option Notice, the Company shall give notice in writing thereof to each of the holders of Income Shares and of Ordinary Shares, whereupon the holders of Ordinary Shares shall be bound to sell all of the Income Shares free of all claims, charges, liens, encumbrances and equities and together with all rights attached thereto, for the consideration and subject to the terms and conditions set out below:-
  - (a) the holders of the Ordinary Shares shall each purchase, at a price of 1 penny per share, such number of the issued Income Shares as the Directors may determine corresponds to their proportionate holding of Ordinary Shares (disregarding fractions) which determination shall be conclusive and binding. The total purchase price for all of the Income Shares must be

paid to the Company for receipt on behalf of the holders of the Income Shares, or, should the Company so direct, to the holders of the Income Shares according to their relative entitlements, within twenty-eight days of receipt by the Company of the Option Notice;

(b) the Company shall be the agent of all the holders of the Income Shares for the transfer of Income Shares pursuant to an Option Notice and may:-

(I) receive the purchase moneys in trust for the holders of the Income Shares, which receipt shall be a good discharge to the holders of the Ordinary Shares who shall not be bound to see to the application thereof;

(II) receive the purchase moneys in trust for the holders of the Income Shares, which receipt shall be a good discharge to the holders of the Ordinary Shares who shall not be bound to see to the application thereof;

(c) the Company shall, on execution of the relevant transfers and receipt of the total purchase price for all the issued Income Shares or of evidence satisfactory to the Directors that such purchase price has been paid in full, cause the holders of the Ordinary Shares to be registered as holders of all of the issued Income Shares in such proportions as may be determined in accordance with paragraph 3.1.1 above, notwithstanding the absence of any share certificates, and after such persons have been registered in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person. Any consideration received by the Company on behalf of the holders of the Income Shares shall be despatched to them in accordance with their relative entitlements, not later than twenty-eight days after receipt by the Company and the holders of the Income Shares shall, upon request by the Company, deliver up to the Company any certificate in respect of the Income Shares;

### **3.1.6 Acquisition of Income Shares not comprised in Stock Units**

Where any person is for the time being the holder of Income Shares which are not comprised in Stock Units and does not hold a number of Ordinary Shares equal to or greater than the number of such Income Shares so held (which Income Shares, to the extent to which the holder thereof does not hold Ordinary Shares in equal or greater numbers, shall be called the "Stray Income Shares"), then:-

(i) the holder of any Ordinary Shares may, by serving a notice in writing on the Company, call for the transfer of all of the Stray Income Shares to him. Upon receipt of such notice, the Company shall give notice

thereof to the holder of the Stray Income Shares, who shall thereupon be bound to sell the Stray Income Shares to such holder of Ordinary Shares, and such holder of Ordinary Shares shall be bound to purchase the Stray Income Shares at a price of 1p per share. The provisions of paragraphs 3.1.5(ii)(b and (c) shall then apply mutatis mutandis; or

- (ii) the holder of the Stray Income Shares may, by serving a notice in writing on the Company, call for a holder of Ordinary Shares to purchase such Stray Income Shares, whereupon the Company shall offer the Stray Income Shares to all the holders of Ordinary Shares for purchase at a price of 1p per share. The Stray Income Shares shall be sold to the first holder of Ordinary Shares who accepts the aforesaid offer in writing who shall thereupon be bound to acquire the Stray Income Shares. In the event that no holder of Ordinary Shares accepts such offer, the Directors shall select a holder of Ordinary Shares, by a ballot of all the holders of Ordinary Shares, who shall thereupon be bound to acquire the Stray Income Shares. In either such event, the provisions of paragraphs 3.1.5(ii)(b) and (c) shall apply mutatis mutandis.

## **3.2 Ordinary Shares**

### **3.2.1 Income**

Subject to the provisions of Articles 117 and 118, the holders of the Ordinary Shares.

### **3.2.2 Voting**

The voting rights of the Ordinary Shares shall be governed by Article 60;

### **3.2.3 Capital**

On a return of capital on winding-up or otherwise (other than on conversion, redemption or purchase of shares) the holders of the Ordinary Shares shall be entitled following any payments to the holders of any other class of shares to the balance of the surplus assets of the Company to be distributed among such holders of Ordinary Shares rateably according to the number of such shares held by them respectively,

## **VARIATION OF RIGHTS**

## **4. Manner of variation of rights**

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a

going concern or during or in contemplation of a winding-up To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

#### **5. Matters not constituting variation of rights**

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

### **ALTERATION OF SHARE CAPITAL**

#### **6. Increase of share capital**

The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the Resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

#### **7. Consolidation, subdivision and cancellation**

##### **7.1 The Company may by Ordinary Resolution:-**

- 7.1.1 Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 7.1.2 Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;
- 7.1.3 Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the Resolution whereby any share is sub-divided may determine that, between the holders of the shares resulting from such sub-division, one or more of shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

- 7.2 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Directors may, subject to the restrictions in these Articles on the sale, allotment and disposition of Income Shares, authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

## **8. Purchase of own shares and reduction of capital**

- 8.1 Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares). Every contract for the purchase by the Company of, or under which it may become entitled or obliged to purchase, its own shares shall, in addition to such authorisation as may be required by the Statutes, be sanctioned by a separate General Meeting of the holders of each class of shares in issue convertible into equity share capital of the Company.
- 8.2 The Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

## **9. Equivalent action by Waterford on alteration of share capital**

None of the matters contemplated by paragraphs 7.1.1, 7.1.2 and 7.1.3 of Article 7, or by Article 8 shall be effected by the Company in respect of Income Shares unless the Directors are satisfied that similar and equivalent actions will be taken by or have been taken by Waterford in respect of Waterford Ordinary Shares.

## **SHARES**

## **10. Rights attaching to shares on issue**

Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may, subject to such consent, determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable to be redeemed provided that no Income Shares shall be issued to any person unless either such person is, at the time of issue the holder not less than 75% of the Ordinary Shares for the time being in issue or immediately following the time of issue that person will hold Waterford Ordinary Shares which are comprised in Stock Units in number equal to the total number of Income Shares so comprised, or alternatively, an equal number of Ordinary Shares are issued to them at the same time.

## **11. Directors' power to allot**

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

### **11.2**

11.2.1 The Directors shall be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Act to exercise for each prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 Amount.

11.2.2 During each prescribed period the Directors shall be empowered to allot equity securities wholly for cash pursuant to and within the terms of the said authority:

- (i) in connection with a rights issue; and
- (ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the Section 89 Amount;

as if Section 89(1) of the Act did not apply to any such allotment.

11.2.3 By the authority and power contained in this Article the Directors may during the prescribed period make offers or agreements which would or might require the allotment of securities after the expiry of such period.

11.2.4 For the purposes of this Article:-

- (i) "rights issue" means an offer of equity securities open for acceptance for a period fixed by the Directors to (i) holders on the register on a fixed record date of Ordinary Shares in proportion to their respective holdings and holders on the register on a fixed record date of other equity securities to the extent expressly required or (if considered appropriate by the directors) permitted by the rights attached thereto, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange territory;
- (ii) "prescribed period" means in the first instance the period from the date of the adoption of these Articles to the date of the Annual General Meeting in 1997 or 30 June 1997, whichever is the earlier, and shall thereafter mean any period (not exceeding 15 months on any occasion) for which the authority and power 'conferred by paragraphs 11.2.1 and

11.2.2 above are renewed by a Special Resolution of the Company stating the Section 80 Amount and section 89 Amount for such period;

- (iii) "The Section 80 Amount" shall for the first prescribed period be £1,823,890.79 and for any other prescribed period shall be that stated in the relevant Special Resolution or, in either case, any increased amount fixed by Resolution of the Company in General Meeting;
- (iv) "the Section 89 Amount" shall for the first prescribed period be £1,823,890.79 and for any other prescribed period shall be that stated in the relevant Special Resolution; and
- (v) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

## **12. Commissions on issue of shares**

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

## **13. Renunciation of allotment**

The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose provided that no renunciation may be recognised in respect of Income Shares to any person unless there is produced to the Directors such evidence as they may reasonably require that on the same occasion there is being issued, transferred or renounced to the same person an equal number of Waterford Ordinary Shares or Ordinary Shares.

New Article 14A: Adopted at an Extraordinary General Meeting of the Company held on 16th September 1996.

## **14.A**

14.A.1 The Directors may elect, without further consultation with the holders of any shares or securities of the Company (except where such shares or securities are constituted by virtue of some other Deed, document or other source) that any single class, or all classes, of share and securities of the Company shall be capable of being traded in uncertificated form in accordance with The Uncertificated Securities Regulations 1995 (SI 1995 No. 95/3272) (the "Regulations").

14.A.2 Nothing in these Articles shall preclude any share or other security of the Company from being issued, held, registered, converted, transferred or otherwise dealt with in uncertificated form in accordance with the Regulations and any rules or requirements

laid down from time to time by any relevant system operated pursuant to the Regulations (the "relevant system"),

14.A3 In relation to any share or other security of the Company which is in uncertificated form, these Articles shall have effect subject to the provisions of the Regulations and (so far as consistent with the Regulations) to the following provisions;

- (i) Title to any such shares or securities shall, in accordance with the Regulations, be evidenced and transferred without a written instrument of transfer.
- (ii) A properly authenticated dematerialised instruction given in accordance with the Regulations shall be given effect in accordance with the Regulations.
- (iii) Any communication required or permitted by these Articles to be given by a person to the Company may be given in accordance with and in any manner (whether or not in writing) prescribed or permitted by the Regulations.
- (iv) If a situation arises where any provision of these Articles is inconsistent in any respect with the terms of the Regulations in relation to such shares or securities then:-
  - (a) The Regulations shall prevail; and
  - (b) The Directors shall have power to implement such arrangements as they may think fit and as may accord with the Regulations for the evidencing and transferring of title to such shares and securities, governing the mechanics for payment involving a relevant system and for the regulation of those arrangements and the persons responsible for or involved in their operation.

#### **14. Trust etc interests not recognised**

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder

### **SHARE CERTIFICATES**

#### **15. Form of share certificates**

Every share certificate shall be executed by the Company in such manner as the Directors may decide (which may include use of the Seal or the Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing housing or of a recognised investment

exchange. Provided that no share certificate relating to an Income Share shall be issued except in conjunction with a share certificate in respect of the Waterford Ordinary Share comprised in the same Stock Unit.

**16. Joint holders**

In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all

**17. Issue of share certificates**

Any person (subject to aforesaid) whose name is entered in the Register in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within five days after lodgment of a transfer or (in the case of a transfer of partly-paid shares) within two months after lodgment of a transfer

**18. Balance certificates**

Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and subject to the proviso in Article 15 above a new certificate for the balance of such shares issued in lieu without charge.

**19. Replacement of share certificates**

- 19.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 19.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request
- 19.3 If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
- 19.4 In the case of shares held jointly by several persons any such request may be made by any of one of the joint holders.

## **CALLS ON SHARES**

### **20. Power to make calls**

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or when permitted by way of premium) but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the Resolution of the Directors authorising the call was passed and may be made payable by instalments.

### **21. Liability for calls**

Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at any time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

### **22. Interest on overdue amounts**

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

### **23. Other sums due on shares**

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

### **24. Power to differentiate between holders**

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

### **25. Payment of calls in advance**

The Directors may if they think fit receive from any members willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay

interest at such rate (not exceeding 17 per cent, per annum) as the member paying such sum and the Directors may agree.

### **FORFEITURE AND LIEN**

#### **26. Notice on failure to pay a call**

If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

#### **27. Contents of notice**

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

#### **28. Forfeiture for non-compliance**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

#### **29. Disposal of forfeited shares**

A share so forfeited or surrendered shall become the property of the Company and may, subject to the restrictions in these Articles on the sale, allotment and disposition of Income Shares, be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

#### **30. Holder to remain liable despite forfeiture**

A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares (and shall surrender to the Company for cancellation the certificate for the shares forfeited or surrendered) but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent, per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the

Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

**31. Lien on partly-paid shares**

The Company shall have a first and paramount lien on every share (not being a fully paid share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and subject to the Statutes, the Company shall also have a first paramount lien on every share (not being a fully paid share) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge or the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

**32. Sale of shares subject to lien**

The Company may subject to the restrictions in these Articles on the sale of Income Shares, sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

**33. Proceeds of sale of shares subject to lien**

The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are then payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

**34. Evidence of forfeiture**

A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the

share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by an irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

#### **35. Form of transfer**

All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

#### **36. Closure of Register**

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

#### **37. Right to refuse registration - Income Shares and not fully-paid shares**

The Directors shall not register any person(s) as the holder of any Income Shares which are comprised in Stock Units, except pursuant to the provisions of paragraphs 3.1.5 and 3.1.6 of Article 3, unless there is produced to the Directors such evidence as they may reasonably require that on the same occasion there is being allotted, issued or transferred to the same person(s) Waterford Ordinary Shares comprised in the same Stock Unit or Waterford Ordinary Shares not for the time being comprised in Stock Units which will, following registration of the transfer be comprised in Stock Units. The Directors shall not register any person, other than the holder of not less than 75% of the Ordinary Shares for the time being in issue or pursuant to the provisions of paragraphs 3.1.5 and 3.1.6 of Article 3, as the holder of any Income Shares which are not comprised in Stock Units, unless immediately following such registration, the Directors shall have registered that person or persons as the holder of an equal number of Ordinary Shares. The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully paid shares) provided that, where any such shares are admitted to the Official List of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Directors may also refuse to register a transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the Directors refuse to register a transfer 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.

#### **38. Right to refuse registration - general**

Subject to regulation 38.1, the Directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is

lodged at the Transfer Office accompanied by the relevant share certificate (if any) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). The same instrument of transfer may include the same number of Income Shares and Waterford Ordinary Shares. In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of a share certificate will only be necessary if and to the extent that certificates has been issued in respect of the shares in question.

- 38.1 The Directors may not decline to register any transfer of shares, nor may they suspend the registration thereof, where such transfer is executed by any bank or institution to whom such shares have been charged by way of security, or by any nominee or nominees of such a bank or institution, pursuant to the power of sale under such security and a certificate by any official of such bank or institution if the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts.

**39. Retention of transfers**

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

**40. No fee on registration**

No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

**DESTRUCTION OF DOCUMENTS**

41. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-
- 41.1 The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant.

- 41.2 Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- 41.3 References herein to the destruction of any document include references to the disposal thereof in any manner.

### **TRANSMISSION OF SHARES**

#### **42. Persons entitled on death**

In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest, shares but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

#### **43. Election by persons entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares including the provisions of Article 37 shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member. Any person becoming so entitled to Ordinary Shares or Income Shares shall be subject to the provisions of paragraphs 3.1.5 and 3.1.6 of Article 3 as if he were the holder of the share concerned.

#### **44. Rights of persons entitled by transmission**

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

#### **45. Untraced shareholders**

- 45.1 The Company shall be entitled to sell at the best price reasonably obtainable at the time of sale the shares of a member or the shares to which a person is entitled by

virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:-

- 45.1.1 during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph 45.1.2 below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares have become payable and no dividend in respect of those shares has been claimed; and
  - 45.1.2 the Company shall on expiry of such period of 12 years have inserted advertisements in both a national newspaper and in a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the said shares; and
  - 45.1.3 during the period of three months following the publication of such advertisements the Company shall have received no communication from such member or person; and
  - 45.1.4 notice shall have been given to the London Stock Exchange of its intention to make such sale,
- 45.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

### **GENERAL MEETINGS**

#### **46. Annual General and Extraordinary General Meetings**

An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently once in every year at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

#### **47. Convening of General Meetings**

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

### **NOTICE OF GENERAL MEETINGS**

#### **48. Length of notice for General Meetings**

An Annual General Meeting and any Extraordinary General Meeting at which It is proposed to pass a Special Resolution or (save as provided by the Statutes) a Resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

- 48.1 in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- 48.2 in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

#### **49. Contents of notice of General Meetings**

- 49.1 Every notice calling a General Meeting shall specify the place and the day and hour of meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and on a poll or vote instead of him and that a proxy need not be a member of the Company.
- 49.2 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 49.3 In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

## **50. Routine business**

Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

- 50.1 declaring dividends;
- 50.2 receiving and/or adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
- 50.3 appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- 50.4 re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- 50.5 fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **51. Chairman**

The Chairman of the Directors shall preside as chairman at a General Meeting, If there be no such Chairman or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

### **52. Quorum**

No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes,

### **53. Lack of quorum**

If within five minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved in any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the adjourned meeting any two members present in person or by proxy shall be a quorum.

#### **54. Adjournment**

The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

#### **55. Notice of adjourned meeting**

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

#### **56. Amendments to resolutions**

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

### **POLLS**

#### **57. Demand for poll**

At any General Meeting a Resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

- 57.1 the chairman of the meeting; or;
- 57.2 not less than three members present in person or by proxy and entitled to vote; or
- 57.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 57.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

#### **58. Procedure on a poll**

A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a Resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such Resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the Resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

**59. Voting on a poll**

On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

**60. Timing of poll**

A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

**VOTES OF MEMBERS**

**61. Votes attaching to shares**

Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

**62. Votes of joint holders**

In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share.

**63. Chairman's casting vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

**64. Voting by receiver, etc**

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

**65. Restriction on voting in particular circumstances**

No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid or if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default for a period of twenty-eight days from such service in supplying to the Company information thereby required. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

**66. Validity of vote**

No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

**67. Written resolutions**

A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

**PROXIES**

**68. Proxy need not be a member**

A proxy need not be a member of the Company.

## **69. Form of Proxy**

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

- 69.1 in the case of an individual shall be signed by the appointor or his attorney; and
- 69.2 in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

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

## **70. Deposit of form of proxy**

An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Transfer Office) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that:-

- 70.1 an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates; and
- 70.2 the Secretary may accept proxy forms submitted by telefax to the satisfaction of the Secretary, provided such telefaxes are received in clear and legible form not less than forty-eight hours before the time appointed as aforesaid.

## **71. Rights of proxy**

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

## **72. Revocation of proxy**

A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

## **CORPORATIONS ACTING BY REPRESENTATIVES**

73. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

## **DIRECTORS**

### **74. Number of Directors**

Subject as hereinafter provided the Directors shall not be less than 2 nor more than 16 in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors.

### **75. Share qualification**

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

### **76. Directors' fees**

The ordinary remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

### **77. Other remuneration of Directors**

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

### **78. Directors' expenses**

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

## **79. Directors' pensions and other benefits and purchase of insurance**

- 79.1 The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.
- 79.2 Without prejudice to the provisions of Article 143 the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the Company, or of any other company which is its holding company or in which the company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any other such company, or who are or were at any time trustees of any pension fund in which the employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary or undertaking or pension fund; for the purposes of this Article "holding company" and "subsidiary undertaking" shall have the same meanings as in the Companies Act 1989.

## **80. Directors may have interests**

Subject to the provisions of the Statutes, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office:

- 80.1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;
- 80.2 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- 80.3 may (or any firm of which he is a partner, employee or member may) act in a professional capacity for the Company (other than as Auditor) and be remunerated therefor; and
- 80.4 shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate or for such remuneration and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

## **81. Appointment of executive Directors**

- 81.1 The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.
- 81.2 The appointment of any Director to the office of Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 81.3 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or Resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## **82. Powers of executive Directors**

The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

### **83. Age limit**

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

### **84. Vacation of office**

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

- 84.1 If he shall become prohibited by law from acting as a Director;
- 84.2 If he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- 84.3 If he shall have a receiving order made against him or shall compound with his creditors generally;

- 84.4 If in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- 84.5 If he shall be absent from meetings of the Directors for six months without leave and the Directors shall resolve that his office be vacated;
- 84.6 If he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

#### **85. Retirement by rotation**

At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.

#### **86. Selection of Directors to retire by rotation**

The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

#### **87. Re-election of retiring Director**

The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

- 87.1 Where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- 87.2 Where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
- 87.3 Where the default is due to the moving of a Resolution in contravention of the next following Article;
- 87.4 Where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the meeting except where a Resolution is passed to elect some other person in the place of the retiring Director or a

Resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

**88. Election of two or more Directors**

A Resolution for the appointment of two or more persons as Directors by a single Resolution shall not be moved at any General Meeting unless a Resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any Resolution moved in contravention of this provision shall be void.

**89. Nomination of Director for election**

No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

**90. Removal of Director**

Without prejudice to the other provisions of these Articles the Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

**91. Election or appointment of additional Director**

Without prejudice to the provisions of these Articles the Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director, Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

## **ALTERNATE DIRECTORS**

### **92.**

- 92.1 Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- 92.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.
- 92.3 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- 92.4 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

## **MEETINGS AND PROCEEDINGS OF DIRECTORS**

### **93. Convening of meetings of Directors**

- 93.1 Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retroactive.

93.2 The Directors, and any committee of the Directors, shall be deemed to meet together if, being in separate locations, they are nonetheless linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other, and a quorum in that event shall be two persons so linked. 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 then is.

93.3 Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent if) writing by delivery, post, cable, telegram, telex, telefax, electronic mail or any other means of communication approved by the Directors to him at his last known address or any other address given by him to the Company for this purpose.

#### **94. Quorum**

The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

#### **95. Casting vote**

Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote.

#### **96. Restrictions on voting**

96.1 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of interests in shares or debentures or other securities of, or otherwise in or through, the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is not entitled to vote.

96.2 Subject to the provisions of the Statutes, a Director shall (in the absence of some other material interest than as indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

96.2.1 the giving of any security, guarantee or indemnity in respect of (a) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings or (b) a debt or other obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

96.2.2 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

96.2.3 any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him within the meaning of Section 346 of the Act) does not have an interest (as that term is used in Sections 198 to 211 of the Act) in one per cent, or more of the issued equity share capital of any class of such body corporate (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

96.2.4 any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

96.2.5 any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors.

96.3 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment 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 in such case each of the Directors concerned (if not debarred from voting under paragraph 96.2.3) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

96.4 If a question arises at any time as to the materiality of a Director's interest or as to his entitlement to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed.

## **97. Directors' interests - general**

For the purposes of Articles 80 and 96

97.1 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 contract, 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 contract, transaction or arrangement of the nature and extent so specified;

97.2 an interest of a person who is connected (within the meaning of section 346 of the Act) with a Director shall be treated as an interest of the Director; and

97.3 an interest (whether of his or of such a connected person) 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.

**98. Number of Directors below minimum**

The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Director

**99. Chairman**

The Directors may elect from their number a Chairman and determine the period for which he is to hold office. If no Chairman shall have been appointed or if at any meeting of the Directors the Chairman shall not be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

**100. Written resolutions**

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

**COMMITTEES OF THE DIRECTORS**

**101. Appointment and constitution of committees**

The Directors may delegate any of their powers or discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees. Any such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretions delegated to it. Any such committee or sub-committee shall consist of one or more Directors and (if thought fit) one or more other persons co-opted as hereinafter provided. In so far as any such power or discretion is delegated to a committee or sub-committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee or sub-committee. Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to any regulation which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee or sub-committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that (a) the number of co-opted members shall be less than one-half of the total number of members of the committee or sub-committee and (b) no resolution of the committee shall be effective unless a majority of the members of the committee or sub-committee present at the meeting are Directors.

#### **102. Proceeding of committee meetings**

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

#### **103. Validity of proceedings**

All acts done by any meeting of Directors, or of any such committee or sub-committee, or by any person acting as a Director or as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote.

### **BORROWING POWERS**

104. Subject to the provisions of the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### **GENERAL POWERS OF DIRECTORS**

#### **105. General powers**

The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

#### **106. Local boards**

The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any

vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

#### **107. Appointment of attorney**

The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

#### **108. President**

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

#### **109. Branch register**

Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

#### **110. Signature on cheques, etc**

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accept endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

### **SECRETARY**

111. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries, the Directors may also appoint from time to time on such terms as they may think fit one or more Assistant and/or Deputy Secretaries.

## **THE SEAL**

### **112. General**

- 112.1 The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.
- 112.2 Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by Resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.
- 112.3 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.
- 112.4 Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

### **113. Seal for use abroad**

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

## **AUTHENTICATION OF DOCUMENTS**

- 114. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any Resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a Resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such Resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

## **RESERVES**

### **115. Establishment of reserves**

The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

### **116. Business bought as from past date**

Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

## **DIVIDENDS**

### **117. Dividends – general**

Subject to Article 118 the Company may by Ordinary Resolution declare dividends in respect of the Ordinary Shares and/or the Income Shares but no such dividends shall exceed the amount recommended by the Directors. For the avoidance of doubt, dividends may be paid on Income Shares and not on Ordinary Shares and vice versa, and at different rates.

### **118. Dividends – Income Shares**

118.1 A dividend shall be declared and payable upon any Income Share only:-

118.1.1 if at the same time as it is to be paid a dividend is to be paid on Waterford Ordinary Shares other than those in respect of which there are subsisting Dividend Elections; and

118.1.2 if a Dividend Election shall have been made and be in force in respect of the Waterford Ordinary Share comprised in the same Stock Unit as that income Share; and

118.1.3 to the extent that the net amount of such dividends (exclusive of tax credits, if any) does not exceed the net amount (exclusive of tax credits, if any) which would, but for the said Dividend Election be payable as a dividend on the Waterford Ordinary Share so comprised; and

118.1.4 if the Company is a subsidiary of Waterford.

118.2 For the purpose of calculating the amounts of the relative dividends on Waterford Ordinary Shares and Income Shares, the rate of exchange for Irish Pounds and Pounds Sterling shall be the rate of the Central Bank of Ireland for the exchange of such currencies at 11.00 a.m. (Dublin time) on a date fixed by the Directors and the Directors of Waterford, not being more than 14 days prior to the date of the payment of the dividends to be paid on the Income Shares, as reported by the Bank to the Directors.

#### **119. Fixed and interim dividends**

If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also, subject to the provisions of Article 118 in the case of Income Shares, from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

#### **120. Ranking of shares for dividend**

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

#### **121. No dividend except out of profits**

No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes, and no dividend shall be paid out of any Capitalisation reserve established pursuant to paragraph 130.3 of Article 130.

#### **122. No interest on dividends**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

#### **123. Retention of dividends**

123.1 The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

123.2 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to

transfer, until such person shall become a member in respect of such shares or shall transfer the same.

#### **124. Waiver of dividends**

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

#### **125. Unclaimed dividend**

The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date on which such dividend was declared or became due for payment shall be forfeited and shall revert to the Company.

#### **126. Distribution in specie**

The Company may not pay a dividend otherwise than in cash provided in the event Waterford is declaring or paying a dividend which is to be satisfied by the distribution of assets, and subject always to the provisions of Article 117, the Company may declare or pay a dividend which shall be satisfied wholly or partly by the distribution of assets (and, in particular, of paid up shares, debentures or debenture stock of any other company or in one or more of such ways). Where any difficulty arises in relation to such distribution the Directors may settle the same as they think expedient and, in particular but subject to Article 117, may fix the value for distribution of such specific assets or any part thereof in order to adjust the rights of all the parties and may determine that cash payments shall be made to any members upon the footing of the value so fixed and may vest any such assets in Trustees.

#### **127. Manner of payment of dividends**

- 127.1 Any dividend or other moneys payable on or in respect of a share shall be paid to the member or to such other person as the member (or, in the case of joint holders of a share, all of them) may in writing direct. Such dividend or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) by such other method of payment as the member (or in the case of joint holders of a share, all of them) may agree to. Payment of a cheque by the banker upon whom it is drawn shall be a good discharge to the Company and every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby.
- 127.2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Directors may determine.

127.3 The Company may cease to send any cheque, warrant or order by post for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed but, subject to the provisions of these Articles, shall recommence sending cheques, warrants or orders in respect of the dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

#### **128. Joint holders**

If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### **129. Record date for dividends**

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

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **130.**

130.1 The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary Shares and/or Income Shares on the Register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) in proportion to the amounts paid up on the Ordinary Shares and/or Income Shares then held by them respectively and applying such sum on their behalf in paying up in full unissued Ordinary Shares and/or Income Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully-paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Director make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an

agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

- 130.2 Any capitalisation of profits or reserves contemplated by paragraph 130.1 shall take place in respect of Income Shares comprised in Stock Units only in the form of Income Shares allotted credited as fully paid the aggregate number of which shall be the same as the aggregate number of Waterford Ordinary Shares comprised in Stock Units, to be allotted credited as fully paid by way of capitalisation of profits or reserves by Waterford at the same time to holders of Stock Units.
- 130.3 If, at the time of any issue of Income Shares pursuant to the provisions of this Article, there are in existence rights, whether or not then exercisable, to subscribe further Income Shares in the Company, the directors may, if they think fit, set aside to a separate reserve, to be called the Capitalisation Reserve, an amount equal to the nominal amount of the additional Income Shares which would have been allotted in pursuance of this Article if such rights had been exercisable, and had been exercised, prior to the record date for the said issue, to the intent that if and when such rights are exercised the holder thereof shall be entitled to receive such further Income Shares, credited as fully paid by way of capitalisation of the Capitalisation Reserve, as he would have received if he had exercised his subscription right prior to the said date, and the Directors shall, upon the exercise of his subscription right by any such person as aforesaid, apply the appropriate part of such Capitalisation Reserve accordingly. Provided that this paragraph shall not apply if, under the terms of the said subscription right, an adjustment would fall to be made to the number of shares to be issued, or the subscription price therefor, by reason of an issue of shares pursuant to the provisions of this Article.
- 130.4 Notwithstanding any other provisions contained in these Articles, if Waterford offers holders of Waterford Ordinary Shares the right to elect to receive in lieu of a dividend (or part thereof) an allotment of additional Waterford Ordinary Shares credited as fully paid, the Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital or redemption reserve or other undistributable reserve) or any sum standing to the credit of the profit and loss account by appropriating such sum to the holders of Income Shares who have elected to receive additional Waterford Ordinary Shares in lieu of a dividend (or part thereof) in respect of Waterford Ordinary Shares held by them in Stock Units and applying such sum on their behalf in paying up in full unissued Income Shares, equal in number to the additional Waterford Ordinary Shares, for allotment and distribution credited as fully-paid up to them as bonus shares, such bonus Income Shares to be held in stock Units with the additional Waterford Ordinary Shares. The Directors may take such steps as they consider necessary to ensure that the Company has sufficient reserves available for such application. No further authority of the Company in general meeting shall be required.

## ACCOUNTS

### **131. Accounting records**

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

### **132. Copies of accounts for members**

A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles Provided that the requirements of this Article shall be deemed to be satisfied in relation to members by sending to each member, where permitted by the Statutes and instead of the said copies, summary financial statements derived from the Company's Annual Accounts and the Directors' Report and prepared in the form and containing the information prescribed by the Statutes and any Regulations made thereunder and further. Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. If all or any of the shares or debentures of the Company shall for the time being be listed or dealt in on The Stock Exchange, there shall be forwarded to the appropriate officer of The Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

## AUDITORS

### **133. Validity of Auditor's acts**

Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

### **134. Auditor's right to attend General Meetings**

An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

## NOTICES

### **135. Service of notices**

- 135.1 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- 135.2 At the option of the Company, and where appropriate means are available, notice may also served on any particular member or members by means of telex, telefax, electronic mail or other such means as may be available.

### **136. Joint holders**

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

### **137. Deceased and bankrupt members**

A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share, Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

### **138. Overseas members**

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

### **139. Suspension of postal services**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least one national newspaper in the United Kingdom and in at least one national newspaper in the Republic of Ireland and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom and Ireland again becomes practicable.

### **140. Statutory requirements as to notices**

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

## **WINDING UP**

### **141. Directors' power to petition**

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

### **142. Distribution of assets in specie**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of an Extraordinary Resolution and the consent of the holder, if any shall exist, of the Convertible Special Share, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

### INDEMNITY

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

## **NAMES AND ADDRESSES OF SUBSCRIBERS**

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