

The Companies Acts 1985 to 1989
Private Company Limited by Shares

ARTICLES OF ASSOCIATION
of
SYNAPTICA LIMITED

Incorporated 23 May 1997
Company Number 3375681

FRIDAY



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INDEX

1	PRELIMINARY	1
1 1	Table A Inapplicable	1
1 2	Interpretation	1
1 3	Quoted	2
1 4	Debenture	2
1 5	Secretary	2
1 6	Director, Chairman and Deputy Chairman	2
1 7	Stock and Stockholder	3
1 8	Meaning	3
1 9	References	3
1 10	Gender and number	3
1 11	Clause headings	3
1 12	Special or Extraordinary Resolutions	3
2	AUTHORISED SHARE CAPITAL	3
2 1	Share Capital and Classes	3
2 2	Special Rights of A Ordinary Shares	3
2 3	General Rights	4
2 4	Conversion	4
2 5	Deferred Shares	4
3	PURCHASE OF THE COMPANY'S SHARES	4
3 1	Limited Power	4
3 2	General Prohibition	5
4	VARIATION OF RIGHTS	5
4 1	Class Consents	5
4 2	Class Meetings	5
4 3	Variation of Special Rights	5
4 4	Issue of Shares	5
5	ALTERATION OF CAPITAL	5
5 1	Increase in Capital	5
5 2	Basis of Share Issues	6
5 3	Consolidation, Cancellation and Subdivision	6
5 4	Fractional Holdings	6
5 5	Reduction of Capital	6
6	ISSUE OF SHARES	6
6 1	Allotment and Issue of Shares	6
6 2	Share Issue Pre-emption	6
6 3	Special Rights	8
7	RENUNCIATION OF ALLOTMENT	8
8	SHARE ISSUE COMMISSIONS	8
9	TRUSTS AFFECTING SHARES	8
10	CALLS ON SHARES	8
10 1	Making of Calls	8
10 2	Time of Call	9

10 3	Liability of Joint Holders	9
10 4	Interest	9
10 5	Sums Payable under Terms of Issue of Shares	9
10 6	Differentiation between Members	9
10 7	Payments in Advance	9
11	FORFEITURE AND LIEN	9
11 1	Notices of Non-Payment	9
11 2	Notice of Forfeiture	10
11 3	Forfeiture	10
11 4	Forfeited Shares	10
11 5	Member's Liability on Forfeiture	10
11 6	Company's Lien	10
11 7	Sale under Lien	10
11 8	Application of Sale Proceeds	11
11 9	Title to Shares Sold	11
12	CERTIFICATES	11
12 1	Share Certificates	11
12 2	Execution and Contents of Certificate	11
12 3	Replacement Certificate	11
12 4	Split Certificates	12
12 5	Consolidated Certificates	12
12 6	Joint Holdings	12
13	TRANSFER AND TRANSMISSION OF SHARES	12
13 1	Form and Execution of Transfers	12
13 2	"Member of the Company" and "transfer"	12
13 3	Limitation of Transfer Rights	12
13 4	Permitted Transfers	12
13 5	Transfer Notice	14
13 6	Agency for Sale and Price	14
13 7	Determination of Fair Value	14
13 8	Cancellation of Transfer Notice	15
13 9	Cost of Valuers' Certificate	15
13 10	Offer of Sale Shares	15
13 11	Allocation to Applicants	15
13 12	Transfer to Applicants	15
13 13	Transfers after exhaustion of Pre-Emption Procedure	16
13 14	Evidence of Entitlement to Transfer	16
13 15	Mandatory Transfers	16
13 16	Offers of Shares to Employee Benefit Trust	18
13 17	Deemed Transfer Notice	18
13 18	Renunciation of Allotment	18
13 19	Refusal of Registration of Share Transfers	18
13 20	Notice of Refusal to Transfer	19
13 21	Retention of Transfers	19
13 22	No Registration Fees	19
13 23	Suspension of Registration	19
14	TAG ALONG AND DRAG ALONG RIGHTS	19
14 1	Tag Along Rights	19
14 2	Drag-Along Rights	20
14 3	Notices Irrevocable	20
14 4	Definitions	21

15.	TRANSMISSION OF SHARES	21
15 1	Succession on Death	21
15 2	Dealings on Death and Bankruptcy	21
15 3	Entitlement to Share Rights on Death or Bankruptcy	21
16	GENERAL MEETINGS	22
16 1	Annual General Meetings	22
16 2	Extraordinary General Meetings	22
17	NOTICE OF GENERAL MEETINGS	22
17 1	Notice	22
17 2	Short Notice	22
17 3	Auditors	22
18	CONTENTS OF NOTICES	22
18 1	General Meeting	22
18 2	Annual General Meeting	23
18 3	Extraordinary or Special Resolutions	23
19	MEMBERS' REQUISITIONS	23
20	PROCEEDINGS AT GENERAL MEETINGS	23
20 1	Quorum	23
20 2	Absence of Quorum	23
20 3	Form of Meeting	23
20 4	Chairman of Meetings	24
20 5	Adjournments	24
20 6	Amendments	24
20 7	Voting	24
20 8	Chairman's Casting Vote	24
20 9	Demand for Poll	25
20 10	Withdrawal of Demand for Poll	25
20 11	Conduct of Poll	25
20 12	Time of Poll	25
20 13	Continuance of Business	25
21	VOTES OF MEMBERS	25
21.1	Votes	25
21 2	Joint Holders	25
21 3	Mental Incapacity	26
21 4	Objections to Votes	26
21 5	Manner of Voting	26
21 6	Votes of Unpaid Shares	26
21 7	Resolutions in Writing	26
22	PROXIES	26
22 1	Form and Execution	26
22 2	Identity of Proxy	26
22 3	Application to Adjournments	27
22 4	Lodgement with Company	27
22 5	Power of Proxy	27
22 6	Revocation	27

23	CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS	27
24	DIRECTORS	27
24 1	Number	27
24 2	Vacancies	28
24 3	No Share Qualification	28
24 4	General Meetings	28
25	DIRECTORS' REMUNERATION	28
25 1	Ordinary Remuneration	28
25 2	Executive Remuneration	28
25 3	Remuneration Decisions	28
25 4	Expenses	28
25 5	Pensions	28
25 6	Conflicts of Interest	29
26	EXECUTIVE OFFICE	29
26 1	Appointment	29
26 2	Termination of Directorship	29
26 3	Delegation of Powers	29
26 4	President	29
27	APPOINTMENT AND RETIREMENT OF DIRECTORS	30
27 1	General Power of Appointment	30
27 2	Termination of Office	30
27 3	Removal	30
27 4	Appointment by A Ordinary Shareholders of Director	30
28	ALTERNATE DIRECTORS	31
28 1	Appointment	31
28 2	Termination of Appointment	31
28 3	Powers of Alternate	31
28 4	Alternate's Interests and Remuneration	31
28 5	Recognition of Alternate	32
28 6	Responsibility for Alternate's Acts	32
29	PROCEEDINGS OF DIRECTORS	32
29 1	Directors Meetings	32
29 2	Quorum	32
29 3	Voting	32
29 4	Declaration of Interests	32
29 5	Conflicts of Interest	33
29 6	Specific Relaxation of Voting Restrictions	34
29 7	Decisions upon Director's Material Interest	34
29 8	Resolutions on Appointments	34
29 9	Election of Officers	34
29 10	Chairman of Meetings	34
29 11	Written Resolutions	34
29 12	Form of Meetings	35
29 13	Defect in Form	35
30	COMMITTEES	35
30 1	Delegation to Committees	35
30 2	Regulation of Committee Proceedings	35
30 3	Remuneration Committee	35

31	APPOINTMENT OF AN OBSERVER	36
32	ASSOCIATE AND TITULAR DIRECTORS	36
32 1	Appointment	36
32 2	Status	36
32.3	Term of Office	36
32 4	Delegation of Powers	36
32 5	Meetings	36
32 6	Remuneration	36
33	GENERAL POWERS OF DIRECTORS	37
33.1	General Authority	37
33 2	Borrowing Powers	37
34	PROVISION FOR EMPLOYEES	37
35	APPOINTMENT OF ATTORNEYS	37
36	NEGOTIABLE INSTRUMENTS	37
37	SECRETARY	38
37 1	Appointment, Terms and Removal	38
37 2	Joint and Assistant Secretaries	38
38	SEALS AND EXECUTION OF DOCUMENTS	38
38 1	Power to Have Seal	38
38 2	Use of Seal	38
38 3	Execution of Documents	38
39.	DOCUMENTS	38
39 1	Power to Authenticate	38
39 2	Certified Minutes	39
39 3	Destruction of Documents	39
40	RESERVES	39
41	DIVIDENDS	40
41 1	Declaration	40
41 2	Fixed and Interim Dividends	40
41 3	Entitlement and Apportionment	40
41 4	Record Date	40
41 5	Pre-acquisition Profits	40
41 6	Share Premium Account	40
41 7	No Interest Payable	40
41 8	Deduction of Calls	41
41 9	Exercise of Lien	41
41 10	Shares Subject to Transmission	41
41 11	Unclaimed Dividends	41
41 12	Power to Withhold	41
41 13	Dividend Waivers	41
41 14	Dividends in Specie	41
41 15	Manner of Payment	41
41 16	Joint Holders	42

42	CAPITALISATION OF PROFITS AND RESERVES	42
42 1	Power of Capitalisation	42
42 2	Revocation of Authority	42
42 3	Implementation by Directors	42
43	MINUTES AND BOOKS	43
43 1	Minutes of Proceedings	43
43 2	Statutory Registers	43
43 3	Form of Records	43
44	ACCOUNTS	43
44 1	Books of Account	43
44 2	Preparation and Submission of Accounts	43
44 3	Despatch of Accounts	43
45	AUDITORS	44
45 1	Appointment and Duties	44
45 2	Defective Appointment	44
45 3	General Meetings	44
46	NOTICES	44
46 1	Manner and Time of Service	44
46 2	Joint Holdings	44
46 3	Death or Bankruptcy	44
46 4	Absence of U K Address	45
46 5	Postal Notice of Meeting	45
46 6	Overriding Statutory Requirements	45
46 7	New Members	45
47	WINDING-UP	45
48	INDEMNITY	46
48 1	Indemnity	46
48.2	Liability Insurance	46

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

SYNAPTICA LIMITED

(Adopted by special resolution passed 6 November 2001)
(Amended by special resolution passed 21 July 2008)

1. **PRELIMINARY**

1.1 **Table A Inapplicable**

The Companies (Tables A to F) Regulations 1985 and the regulations contained in the Schedule to it shall not apply to the Company

1.2 **Interpretation**

In these Articles, unless otherwise stated, the words in the first column of the following table have the meaning set against them in the second column

WORDS	MEANINGS
the Act	the Companies Act 1985 as from time to time amended and in force,
A Ordinary Shares	A Ordinary Shares in the capital of the Company so entitled,
these Articles	these Articles of Association as originally framed, or as from time to time altered by Special Resolution or where permitted Ordinary Resolution,
the Auditors	the auditors of the Company, if so appointed, in office at the relevant time,
the Board	the Board of Directors of the Company or any duly constituted committee thereof,
Business Day	a day on which banks in the City of London are open for the transaction of normal banking business,
the Directors	the directors for the time being of the Company or (as the context requires) the Board;
Dividend	dividend and/or bonus,
Deferred Shares'	Deferred Shares in the capital of the Company,
Employee Benefit Trust	a trust established by the Company for the purpose of facilitating or enabling the operation of an Employees' Share Scheme or otherwise of facilitating the acquisition or holding of Shares in the capital of the Company by any one or more officers, employees, consultants or service-providers of or to the Company or any subsidiary of the Company,

NOTE The Company was incorporated as Costnear Limited on 23 May 1997 and changed its name to Synaptica Limited with effect on 17 June 1997

Employees' Share Scheme	an employees' share scheme as defined in section 743 of the Act with the addition to such definition of the words "or consultants or service-providers" after each reference in that section to "employees",
in writing	written or produced by any substitute for writing (or partly one and partly another) in any legible and non-transitory form (and includes facsimile transmission and electronic mail if receipt of successful transmission is acknowledged by the addressee by mechanical or human means),
the London Stock Exchange Member	the UK Listing Authority,
month	a person registered as a holder of Shares at the relevant time,
Office	calendar month,
Ordinary Shares	the Registered Office of the Company at the relevant time,
Paid up	Ordinary Shares in the capital of the Company so entitled,
Seal	paid up or credited as paid up, excluding sums paid up or credited as paid up by way of premium,
Shares	the Common Seal of the Company or any official seal of the Company which it may be permitted to have under the Statutes,
the Statutes	shares in the capital of the Company of any class other than Deferred Shares,
	the Act as amended by the Financial Services Act 1986, the Insolvency Acts 1985 and 1986 and the Companies Act 1989, and every other statute in force at the relevant time concerning companies and affecting the Company,
the United Kingdom	Great Britain and Northern Ireland,
year	calendar year

- 1.3 Quoted**
"Quoted" means, in relation to Shares, being admitted to the official list of the London Stock Exchange, admission to trading on the Alternative Investment Market of the London Stock Exchange, or otherwise being dealt in on a recognised investment exchange as defined by Section 207(1) of the Financial Services Act 1986
- 1.4 Debenture**
"Debenture" and "debenture-holder" respectively include "debenture stock" and "debenture stockholder"
- 1.5 Secretary**
"Secretary" includes any person appointed by the Directors to perform any of the duties of the Secretary and, if two or more persons are appointed to act as Joint Secretaries or any person or persons are appointed to assist the Secretary, includes any one of those persons
- 1.6 Director, Chairman and Deputy Chairman**
"Director", "Chairman" and "Deputy Chairman" means any person at the relevant time appointed to and holding the respective office in accordance with these Articles

1.7 Stock and Stockholder

All those provisions of these Articles applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" shall be construed accordingly

1.8 Meaning

Unless clearly inconsistent with the subject or context or an express definition contained in these Articles, any words or expressions defined in the Statutes shall have the same meaning in these Articles

1.9 References

References to statutory provisions include references to any statutory extension, modification or re-enactment of the same in force at the relevant time

1.10 Gender and number

Each gender shall include each other gender and the singular the plural and vice versa

1.11 Clause headings

Headings notes shall be ignored in interpretation

1.12 Special or Extraordinary Resolutions

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 or the Statutes Where an Extraordinary Resolution is required, a Special Resolution shall also be effective Any Resolution in writing which is effective under the provisions of these Articles or the Act shall be effective as if it were a Special or Extraordinary or Ordinary Resolution (as the subject matter of the Resolution may require)

2. AUTHORISED SHARE CAPITAL

2.1 Share Capital and Classes

The authorised share capital of the Company at the date of amendment of these Articles is £4,100,000 divided into

- 2 1 1 34,358,000 Ordinary Shares of £0 01 each,
- 2 1 2 15,642,000 A Ordinary Shares of £0 01 each, and
- 2 1 3 360,000,000 Deferred Shares of £0 01 each

2.2 Special Rights of A Ordinary Shares

2 2 1 **Matters requiring consent** Without prejudice to the restrictions contained in these Articles as to the modification of the rights attached to classes of Shares, and notwithstanding any other provision of these Articles, the consent or sanction of the holders of the A Ordinary Shares given as specified in Article 2 2 3 shall be required to each of the following, each of which without such consent shall constitute a variation of the rights attached to the A Ordinary Shares

- (a) the allotment or issue of any Shares or other securities except Ordinary Shares or the grant of any right to require the allotment or issue of any Shares or other securities except Ordinary Shares,
- (b) save as permitted by the preceding paragraph (a), the increase, reduction, repayment, re-purchase, sub-division, consolidation or other variation of the share capital of the Company,
- (c) the amendment of any provision of the Memorandum of Association of the Company or of the Articles in any manner which would affect the A Ordinary Shares,

- (d) the disposal of all or any substantial part of the undertaking and assets of the Company,
 - (e) any members' petition or members' resolution to wind up the Company,
 - (f) the giving of any guarantee, indemnity, security or other obligation for or in respect of the performance by any third party of any obligation upon it
- 2 2 2 **Special Voting** Upon any resolution proposed to the Company in general meeting on any of the matters for which the consent of the holders of the A Ordinary Shares is required pursuant to the preceding article 2 2 1, each A Ordinary Share shall carry ten thousand votes,
- 2 2 3 **Nature of Consent** The consent required pursuant to article 2 2 1 shall be consent given pursuant to article 4,
- 2 2 4 **Appointment of Director and Observer** The A Ordinary Shares shall carry the rights of appointment of a director conferred by Articles 27 5 and 31

2.3 General Rights

Save for the class rights expressly conferred on the respective classes of shares in these Articles, each class of share shall rank *pari passu*

2.4 Conversion

Any Shares of any class which are for the time being unissued may be converted into Shares of any other class by resolution of the directors with the consent of the holders of the A Ordinary Shares pursuant to clause 4 and any such resolution of the Directors shall be deemed to be effected by these Articles and the resolution adopting the same

2.5 Deferred Shares

- 2 5 1 **General** The Deferred Shares
- (a) may be redeemed by the Company at any time at its option for 1 penny for all the 'Deferred Shares registered in the name of any holder without obtaining the sanction of the holder or holders,
 - (b) except as set out in Article 2 5 3 shall not carry any right to participate in any distribution or return of capital upon a winding up or otherwise and shall have no other rights and in particular but without limitation to any rights of pre-emption on any new issue or transfer, and
 - (c) shall not entitle the holders of them to vote or receive notice of, to attend, to speak or to vote at any general meeting of the Company
- 2 5 2 **Transfer** The creation or issue of Deferred Shares shall be deemed to confer irrevocable authority on the Board at any time after their creation or issue to appoint any person to execute or give on behalf of the holder of those shares a transfer of them to such person or persons as the Company may determine
- 2 5 3 **Return of assets** On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied first in paying to the holders of the Deferred Shares, if any, a total of one penny for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares) and the balance of such assets shall be distributed amongst the holders of the remaining Shares

3. PURCHASE OF THE COMPANY'S SHARES

3.1 Limited Power

Subject to the requirements and restrictions of the Statutes, the Company may purchase any Shares with the prior authority of a Special Resolution and with the prior sanction,

in accordance with Article 4, of the holder or holders of any class of Shares convertible into Shares of another class

3.2 General Prohibition

Save as aforesaid and except to the extent permitted by the Statutes and these Articles, no part of the assets of the Company shall be employed in the subscription for or purchase of or in loans upon the security of Shares in the Company or Shares in any company which is its holding company, nor (save and except as aforesaid) shall the Company directly or indirectly give any financial assistance for the purpose of or in connection with a subscription for or purchase of such Shares

4. VARIATION OF RIGHTS

4.1 Class Consents

Subject to the provisions of the Statutes, whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths 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

4.2 Class Meetings

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 holding or representing by proxy at least one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any one 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

4.3 Variation of Special Rights

The 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 whose special rights are to be varied

4.4 Issue of Shares

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

5. ALTERATION OF CAPITAL

5.1 Increase in Capital

Subject to Article 2 2, 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

5.2 Basis of Share Issues

All new Shares shall in all respects be subject to the provisions of the Statutes and of these Articles

5.3 Consolidation, Cancellation and Subdivision

Subject to Article 2 2, the Company may by Ordinary Resolution

- 5 3 1 consolidate and divide all or any of its share capital into Shares of a larger amount than its existing shares,
- 5.3 2 cancel any Shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and reduce the amount of its authorised capital by the amount of the Shares so cancelled,
- 5 3 3 sub-divide its Shares or any of them into Shares of a smaller amount than is fixed by the Memorandum of Association (subject nevertheless to the provisions of the Statutes) and so that the resolution whereby any share is sub-divided may determine that as between the holders of the Shares resulting from such sub-division, one or more of the Shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new Shares

5.4 Fractional Holdings

If any exercise of the foregoing powers or any issue of Shares or other matter gives or would give rise to any fractional shareholding or other difficulty, the Directors may resolve the matter as they see fit and in particular without limitation may arrange for the sale of any fractional entitlement for the account of the Member or Members concerned and may empower any person to effect any such sale and transfer the fractional shares to any purchaser or other person, who shall not be concerned with the regularity of the proceedings and shall receive a good title

5.5 Reduction of Capital

Subject to Article 2 2, the Company may by Special Resolution reduce its share capital or any capital redemption reserve or share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law save that no purchase by the Company of its own Shares will take place other than in accordance with Article 3 1

6. ISSUE OF SHARES

6.1 Allotment and Issue of Shares

Subject to Articles 2 2 and 6 2 and to the provisions of the Statutes relating to authority 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 Any options or other rights to subscribe may be in the form of transferable warrant in such form as the Directors consider appropriate

6.2 Share Issue Pre-emption

- 6 2 1 Subject to Article 6 2 2, no Shares shall be allotted or issued for cash, nor any right granted to require the allotment or issue for cash of any Shares, unless the following provisions have been complied with
 - (a) the Company shall give and not withdraw a notice ("a Pre-emption Notice") to each holder of Shares, stating the number of Shares proposed to be allotted or issued, the subscription price, and any

- other applicable terms of the proposed allotment or issue and all material terms of the proposed rights and their grant, such Pre-emption Notice shall also state a date (being no earlier than twenty-one days after the date on which the Pre-emption Notice is given) on or before which any election to take up any of the Shares or rights the subject of the Pre-emption Notice must be given to the Company,
- (b) at any time on or before (but not after) the date stated in the Pre-emption Notice pursuant to the preceding paragraph (a) any holder of Shares may elect to take up all or any of his shareholding proportion of the Shares or rights specified in the Pre-emption Notice,
 - (c) if the Pre-emption Notice relates to an allotment or issue of Shares, it may specify a date (not being earlier than thirty days from the date of the Pre-emption Notice) on or before which a holder of Shares electing to take up all or any of the Shares proposed to be issued must deliver a form of subscription and pay to the Company the subscription monies for the Shares for which he applies and if a holder of Shares fails to deliver such subscription form and pay such subscription monies within the time so allowed (or longer time allowed by the Board), his election to take up the Shares shall lapse,
 - (d) after the date specified in the Pre-emption Notice and before any allotment, issue or grant of rights the subject of the Pre-emption Notice is made, the Board may elect to cancel the proposed allotment, issue or grant of rights and if it does so it shall return to any holder any forms of subscription or subscription monies received from him. If it does not elect to cancel the same the Board
 - (i) shall allot and issue to holders of Shares who have elected to take up Shares and have submitted their subscription form and paid their subscription monies in compliance with the Pre-emption Notice or this Article 6, the Shares respectively applied for by them (not being more than his shareholding proportion of the Shares on offer),
 - (ii) shall grant to holders of Shares who have elected to take up the same in compliance with the Pre-emption Notice or this Article 6, the rights respectively applied for by them (not being more than his shareholding proportion of the rights on offer),
 - (iii) shall be free to allot, issue and grant the Shares and rights not so applied for to any person approved by the Board, on the same terms as they were offered to holders and at any time before the expiration of four months from the date upon which the Pre-emption Notice was given,
 - (e) for this purpose "shareholding proportion" means the proportion of the total issued Shares which is represented by the number of Shares held by the relevant holder,
 - (f) time shall be of the essence in respect of the periods of time specified in this Article,
- 6 2 2 Article 6 2 1 shall not apply to any of the following
- (a) any allotment or issue of Shares which has previously been authorised by Special Resolution of the Company whether specifically or generally, subject to any conditions or limitations imposed upon such authority,
 - (b) any allotment or issue of Shares pursuant to the exercise of a right granted where that right has previously been the subject of a Pre-emption Notice given under Article 6 2 1 or has been authorised by Special Resolution of the Company,

- (c) any grant of rights or allotment or issue of Shares to an Employee Benefit Trust or pursuant to an Employees' Share Scheme previously approved by the Company in general meeting,

6 2 3 Section 89 of the Act is hereby excluded and shall not have effect

6.3 Special Rights

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 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 such determination, as the Board may determine) and subject to the provisions of the Statutes the Company may issue any Shares which are, or at the option of the Company or the holder are liable, to be redeemed

7. RENUNCIATION OF ALLOTMENT

At any time after the allotment of any Share but before any person has been entered in the Register of Members as the holder of it, the Directors may 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. Any such renunciation shall be treated as if it were a transfer of the Shares the subject of the allotment and shall be subject to all the provisions of these Articles applicable to share transfers

8. SHARE ISSUE COMMISSIONS

The Company may exercise the powers of paying commissions conferred or permitted by the Statutes. The rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and shall not exceed ten per cent of the price at which the Shares in respect of which the commission is paid are issued. The Company may also on any issue of Shares pay such brokerage as may be lawful. Any such commission may be satisfied in cash or by the allotment of fully paid or partly paid Shares or the issue of share warrants carrying the right to subscribe for Shares at a specified price or partly in one way or partly in another

9. TRUSTS AFFECTING SHARES

Except as required by law, no person shall be recognised by the Company as holding any Share upon 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

10. CALLS ON SHARES

10.1 Making of Calls

The Board may from time to time make calls upon the Members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or, when permitted, by way of premium), subject to any terms of issue whereby such

monies are to be payable at fixed times, and (subject to being given at least fourteen days' notice) each Member shall pay to the Company the amount called on his Shares at the time or times and place specified in the notice. The Director will be entitled to revoke or postpone a call. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which the call was made.

10.2 Time of Call

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.

10.3 Liability of Joint Holders

The joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

10.4 Interest

If a sum called in respect of a Share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at such rate, not exceeding twenty per cent per annum, as the Directors determine and all expenses incurred by the Company, but the Directors shall be at liberty to waive payment of such interest and expenses wholly or in part.

10.5 Sums Payable under Terms of Issue of Shares

Any sum (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 or ascertainable 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 and in case of non-payment all the provisions of these Articles relating 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.

10.6 Differentiation between Members

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

10.7 Payments in Advance

The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the monies (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, so far as the same shall extend, such payment in advance of calls shall extinguish the liability upon the Shares in respect of which it is made and the Company may pay interest upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares concerned, at such rate (not exceeding fifteen per cent per annum) as the Member paying such sum and the Directors agree upon.

11. FORFEITURE AND LIEN

11.1 Notices of Non-Payment

If a Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Board 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

11.2 Notice of Forfeiture

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 with the notice the Shares on which the call or instalment of a call was made will be liable to be forfeited

11.3 Forfeiture

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

11.4 Forfeited Shares

Subject to the provisions of the Statutes, a Share so forfeited or surrendered shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Board thinks fit. Article 6.2 shall not apply to any such sale, re-allotment or other disposal. At any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Board thinks fit. The Board may if necessary authorise some person to transfer a forfeited or surrendered Share to any such other person as aforesaid.

11.5 Member's Liability on Forfeiture

A Member whose Shares have been forfeited or surrendered shall cease to be a Member in respect of the Shares but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all monies 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 twenty per cent per annum (or such lower rate as the Board may approve) from the date of forfeiture or surrender until payment, but the Board may at its absolute discretion enforce payment without any allowance for the value of the Shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part.

11.6 Company's Lien

The Company shall have a first and paramount lien on every Share not being a fully paid Share for all monies, whether presently payable or not, called or payable at a fixed time in respect of such Share. The Company's lien (if any) on a Share shall extend to all dividends payable thereon. The Board may resolve that any Share for some specified period be exempt from the provisions of this Article.

11.7 Sale under Lien

The Company may sell in such manner as the Board 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.

11.8 Application of Sale Proceeds

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 presently payable, and (subject to a like lien for debts or liabilities not presently payable as existed upon the Shares sold prior to such sale) any residue shall be paid to the person entitled to the Shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer to the purchaser the Shares sold, and execution of the transfer by that person shall be deemed to be execution by the holder of the Shares.

11.9 Title to Shares Sold

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, and 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 the 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 any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the Share.

12. CERTIFICATES

12.1 Share Certificates

Except in the case of a recognised clearing house (within the meaning of the Financial Services Act 1986) or its nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate, every person whose name is entered as a Member in the Register of Members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the terms of issue shall provide) one certificate for all his shares of any one class or, upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Directors shall from time to time decide, several certificates, each for one or more of his shares of any one class. Where a Member (except such a clearing house or nominee) transfers part only of the shares comprised in a certificate, the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

12.2 Execution and Contents of Certificate

Subject to the Statutes, every certificate for Shares or debentures shall be authenticated by the signatures, or representations of the signatures, of two Directors or of a Director and the Secretary. Every certificate shall specify the number and class of Shares to which it relates and the amount paid up thereon. Provided That 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 such persons shall be sufficient delivery to all.

12.3 Replacement Certificate

If a share certificate is defaced, worn out, lost or destroyed, it may be renewed without payment of any fee, on such terms (if any) as to evidence and indemnity and the

payment of any exceptional out-of-pocket expenses of the Company in investigating evidence and preparing such indemnity as the Board thinks fit

12.4 Split Certificates

If any member surrenders for cancellation a share certificate representing Shares held by him and requests the Company to issue in lieu two or more share certificates representing such Shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request

12.5 Consolidated Certificates

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 save reimbursement of out-of-pocket expenses thereby incurred by the Company

12.6 Joint Holdings

In the case of Shares held jointly by several persons any such request may be made by any one of the joint holders

13. TRANSFER AND TRANSMISSION OF SHARES

13.1 Form and Execution of Transfers

All transfers of Shares may be effected by transfer in writing in the usual common form, or in such other form as the Directors may accept, and may be under hand only The instrument of transfer of a Share shall be signed by or on behalf of the transferor and in the case of a transfer of partly paid Shares shall be signed by both the transferor and the transferee The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof Provided That the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do

13.2 "Member of the Company" and "transfer"

For the purposes of this Article where any person is unconditionally entitled to be registered as the holder of a Share he and not the registered holder of such share shall be deemed to be a member of the Company in respect of that Share and the expression "transfer" shall include the renunciation of any letter of allotment and the transfer of any beneficial or other interest in a Share or of any rights conferred by a Share (not being a charge to secure money)

13.3 Limitation of Transfer Rights

Except as provided in Article 13 4, no Shares shall be transferred unless and until the remaining provisions of this Article 13 have been complied with

13.4 Permitted Transfers

Subject to the other provisions of these presents, Shares may be transferred without prior compliance with the remaining paragraphs of this Article in any of the following circumstances

13 4 1 any Member may transfer any Shares to any person who at the time that the relevant transfer is presented to the Company for registration ("the relevant time") falls within any of the following categories

- (a) any other Member if the intended transferee and persons connected with him within the meaning of section 839 Income and Corporation Taxes Act 1988 will not upon completion of such transfer hold or be

- entitled to acquire Shares representing more than thirty per cent of the total issued share capital of the Company at the relevant time,
- (b) his/her spouse or issue,
 - (c) the trustees of a trust the only beneficiaries of which are all or any of any present or future spouse or issue of himself/herself ("family beneficiaries") together with any other person or persons included as a beneficiary or beneficiaries but who can benefit only in the event of the death of all family beneficiaries under the trust PROVIDED THAT if all such family beneficiaries should die the trustees of the trust shall either transfer the Shares held by them to some person to whom the person who transferred the Shares to them would be (or if he were alive would be) entitled to transfer the same under this Article 13 4 1 or shall issue (and not withdraw) a Transfer Notice in respect of the same pursuant to Article 13 5,
 - (d) the trustees of any Employee Benefit Trust,
- 13 4 2 provided that there is no change in beneficial ownership and the transfer does not form part of a series of events which include a change in beneficial ownership
- (a) any Shares may be transferred by a Member to a nominee or bare trustee for himself,
 - (b) any Shares may be transferred by a Member to a person for whom he is a nominee or bare trustee,
 - (c) any Shares held by the trustees of any trust may be transferred to the new trustees of that trust upon a change of trustees,
- 13 4 3 any Shares held by the trustees of a trust which is within the provisions of Article 13 4 1(c) may be transferred to a family beneficiary who is or becomes entitled thereto under the terms of the trust and is at the time of transfer aged at least twenty-one years,
- 13 4 4 any Shares for the time being held by a corporate Member may be transferred to any company which is for the time being its wholly-owned subsidiary or of which it is a wholly-owned subsidiary or which is a wholly-owned subsidiary of a company of which that corporate Member is a wholly owned subsidiary PROVIDED THAT upon such subsidiary and parent relationship ceasing to exist, the shares so transferred shall immediately be transferred back to that corporate member and if they have not been so transferred back within twenty-one days of notice requiring such transfer back to be effected given by any member or members holding in aggregate at least ten per cent of the issued share capital of the Company for the time being, the holder shall issue (and not withdraw) a Transfer Notice in respect of the same pursuant to Article 13 5,
- 13 4 5 any Shares held by the trustees of any Employee Benefit Trust may be transferred to any person entitled to the same under the rules of the Employees' Share Scheme to which the Employee Benefit Trust relates, or to any other person in the course of the bona fide exercise by the trustees of their powers as such (including any transfer on sale or other disposal),
- 13 4 6 any Shares may be transferred to any person with the sanction of an Ordinary Resolution or with the written consent of the holder or holders of not less than fifty per cent of the total number of Shares in issue at the date of the transfer,
- 13 4 7 any A Ordinary Shares may be transferred to any person,
- 13 4 8 subject to Article 13 16 any Shares may be transferred if, when added to the aggregate number of Shares transferred by the same transferor during the six months preceding the date of the transfer (disregarding transfers permitted by the preceding provisions of this Article 13 4), they represent less than one-half per cent of the total nominal value of the share capital of the Company in issue at the date of the transfer

13.5 Transfer Notice

- 13 5.1 Subject to Article 13 4, every person who desires or intends to transfer any Share or Shares or who is required so to do by this Article 13 ("the Intending Transferor ") shall give to the Company notice in writing of such intention ("a Transfer Notice") stating
- (a) the name of the intended transferee,
 - (b) the number and class of Shares intended to be transferred ("the Sale Shares"),
 - (c) in the case of a sale, the price payable and the time for payment thereof, any other material terms relevant to the sale and any assistance to be given by the Intending Transferor and his associates to the intended transferee for payment of the price and satisfaction of his other obligations in relation to his acquisition of the Sale Shares
- 13 5 2 Except in the case of a Transfer Notice required or deemed to be served by any provision of these Articles, the Transfer Notice may contain a provision that unless all the Sale Shares are sold pursuant to this Article, none shall be so sold and any such provision shall be binding on the Company No Transfer Notice shall relate to more than one class of Shares

13.6 Agency for Sale and Price

Subject as hereinafter mentioned, a Transfer Notice shall irrevocably constitute the Company the agent of the Intending Transferor for the sale of the Share or Shares the subject thereof in one or more lots at the discretion of the Directors

- 13 6.1 (in the case of an intended transfer on sale where the terms of the sale specified in the Transfer Notice are confined to price, time for payment, any assistance by the intending transferor to the intending transferee for payment of the price, any terms providing for the mechanics of the transaction, any warranties as to title to the Shares, and terms as to the effective date of sale and the entitlement to the rights attached to the Shares between such effective date and the date of completion) at the price and upon the terms specified in the Transfer Notice,
- 13 6 2 (in any other case) at their fair value determined pursuant to Article 13 7

13.7 Determination of Fair Value

The fair value of the Sale Shares shall be determined for the purposes of Article 13 7 2 as follows

- 13 7 1 the fair value shall be agreed between the Intending Transferor and the Directors or in default of such agreement shall be determined by the Auditors in office at the date of the Transfer Notice unless within fourteen days from that date either the Intending Transferor or the Directors by notice to the other requires that it be determined by different valuers, in which event it shall be determined by valuers agreed between the Intending Transferor and the Directors or in default of agreement by valuers appointed on the application of the Intending Transferor or the Directors by the President for the time being of the Institute of Chartered Accountants in England and Wales,
- 13 7.2 the Auditors or valuers duly appointed in accordance with Article 13 7 1 shall in writing under their hand certify in their opinion the fair value of the Sale Shares as at the date of the Transfer Notice disregarding any effect on value of the fact that the Sale Shares represent a minority or majority interest in the share capital of the Company In so certifying, the Auditors or other valuers shall act as experts and not arbitrators and their decision shall be final and binding upon the parties

13.8 Cancellation of Transfer Notice

Except in a case where the Transfer Notice was required or deemed by these Articles to be given (in which case there shall be no right of cancellation), if the Auditors or other valuers are asked to certify the fair value as aforesaid their certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Intending Transferor who may by notice in writing given to the Company within ten days of the service upon him of the said certified copy (as to which time shall be of the essence) cancel the Transfer Notice, which shall thereupon be of no effect. Save for the right of cancellation conferred by this Article, service or deemed service of a Transfer Notice shall be irrevocable.

13.9 Cost of Valuers' Certificate

The cost of obtaining the certificate of fair value shall be borne by the Company unless the Intending Transferor shall give notice of cancellation in which case he shall bear the said cost.

13.10 Offer of Sale Shares

Upon the price being fixed as aforesaid and provided the Intending Transferor (being entitled so to do) does not give notice of cancellation as aforesaid, the Company shall forthwith by notice in writing inform each Member who holds any Shares (other than the Intending Transferor) of the number and price of the Sale Shares and other terms applicable hereunder to the sale and invite each such Member to apply in writing to the Company within twenty eight days of the date of despatch of the Company's notice (which date shall be specified therein) for such maximum number of the Sale Shares (being all or any thereof) as he shall state in such application. Any application made by any Member not entitled to receive such invitation shall be disregarded.

13.11 Allocation to Applicants

If, within the period of twenty-eight days allowed in such notice, any person to whom a notice is given by the Company pursuant to the preceding Article 13 10 applies for any of the Sale Shares, the Company - by written notice to the applicants and the Intending Transferor ("the Allocation Notice") given within fifty-six days of the date of despatch of the Company's notice pursuant to Article 13 10 - shall allocate the same (or so many of them as shall be applied for as aforesaid) to and amongst the applicants (and in case of competition pro rata according to the number of in respect of which they are registered or unconditionally entitled to be registered as holders) PROVIDED THAT no applicant shall be obliged to take more than the maximum number of Shares specified by him as aforesaid.

13.12 Transfer to Applicants

The Intending Transferor shall be bound to transfer the Shares comprised in an Allocation Notice to the purchasers named therein against payment of the price at the time and place therein reasonably specified (or if none be so specified then fifty-six days from the date of the Allocation Notice, at the Office), and if he shall fail to do so, each of the Directors severally shall be deemed to have been appointed attorney of the Intending Transferor with full power to execute, complete and deliver, in the name and on behalf of the Intending Transferor, transfers of those Shares to the purchasers thereof against payment of the price to the Company. On payment of the price to the Company the purchaser shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon his name being entered in the Register of Members as the holder by transfer of the Shares so transferred to him. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the Intending Transferor.

13.13 Transfers after exhaustion of Pre-Emption Procedure

During the six months following the expiry of the said period of fifty-six days referred to in Article 13 11 the Intending Transferor (subject to the remaining provisions of these Articles) may transfer any Share not allocated by the Directors in an Allocation Notice to the person or persons named in that behalf in the Transfer Notice upon the terms offered to Members pursuant to Article 13 10 (or which are more advantageous to the Intending Transferor than those terms) and no others (but not otherwise save in accordance with the provisions of this Article 13) Provided that, if the Intending Transferor stipulated in his Transfer Notice that unless all the Sale Shares were sold pursuant to this Article, none should be so sold, the Intending Transferor shall not be entitled to transfer only some of the Sale Shares

13.14 Evidence of Entitlement to Transfer

For the purposes of ensuring that a transfer of Shares is duly authorised by these Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given, the Directors may from time to time require any Member or former Member or the legal personal representatives or trustees in bankruptcy, receiver or liquidator of any Member or former Member or any person named as transferee in any instrument of transfer lodged for registration, to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant to such purpose Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer or transmission in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned If such information or evidence disclosed that in the reasonable opinion of the Directors a Transfer Notice ought to have been given in respect of any shares, the Directors may by notice in writing require that a Transfer Notice be given in respect of the shares concerned

13.15 Mandatory Transfers

13 15 1 In this Article 13 15

“Bad Leaver”

means a Working Associate whose Qualifying Status terminates for any reason other than a reason which constitutes him a Good Leaver or who acts in breach of any restrictive covenant contained in his contract of employment or other contract with the Company for the provision by him of services, whether such breach occurs during the continuance of his Qualifying Status or during the twelve months following termination of his Qualifying Status,

“Good Leaver”

means

(a) a Working Associate whose Qualifying Status terminates by reason of his

- (i) death,
- (ii) physical or mental incapacity,
- (iii) retirement at the age which is his normal retirement age under his contract with the Company or a subsidiary of the Company (or, in the absence of any such age being specified, at age sixty-five years),
- (iv) dismissal in circumstances found by a court or employment tribunal to be wrongful or substantively unfair, or

- (b) a Working Associate whose Qualifying Status terminates in any circumstances and the Board decides that he is a Good Leaver,

“Privileged Relation” means, in relation to any person, his or her spouse or issue and the trustees of a trust the only beneficiaries of which are all or any of any present or future spouse or issue of himself/herself together with any other person or persons included as a beneficiary or beneficiaries but who can benefit only in the event of the death of all family beneficiaries under the trust,

“Qualifying Status” means status as a Working Associate,

“Relevant Shares” means, in relation to any Working Associate, all Shares (other than A Ordinary Shares) held by him or by any Privileged Relation of his at the relevant time, disregarding any Shares which the Directors in their discretion are satisfied are held by a Privileged Relation but were not acquired by that Privileged Relation directly or indirectly from his or her Working Associate or by reason of any connection with that Working Associate (and the decision of the Directors in this respect shall be final) and disregarding

- (a) 149,340 Shares which on 6 November 2001 were held by Professor Susan Adele Greenfield,
- (b) 149,340 Shares which on 6 November 2001 were held by David John Talbutt Vaux,
- (c) any Shares which it is agreed in writing between the Company and the Working Associate will not be subject to this Article 13 15,

“Working Associate” means any person who is an officer or employee of the Company or any subsidiary of the Company or is under contract to render services to the Company or any such subsidiary or is otherwise actively engaged personally in the provision of services to or for the Company or any such subsidiary

13 15 2 Unless the Directors otherwise resolve (in respect of all or any of the Relevant Shares) if the Qualifying Status of a Working Associate terminates, transfer notices shall be deemed to have been served under Article 13 5 (and not withdrawn) on the date of such termination in respect of

- (a) all Relevant Shares held by that Working Associate immediately before such termination, and
- (b) all Relevant Shares then held by any Privileged Relation of that Working Associate

13 15 3 If the Qualifying Status of the Working Associate terminates in circumstances in which he is a Good Leaver, the price applicable to the Transfer Notice shall be the fair value of the Relevant Shares as determined pursuant to Article 13 7

13 15 4 If the Qualifying Status of the Working Associate terminates in circumstances in which he is a Bad Leaver, the price applicable to the Transfer Notice shall

be the lower of the fair value of the Relevant Shares as determined pursuant to Article 13.7 and the price paid to the Company or to an independent third party for their acquisition by the persons comprising the Working Associate and his Privileged Relations

13.15.5 Any Transfer Notice deemed to be given pursuant to this Article shall not be capable of being cancelled

13.16 Offers of Shares to Employee Benefit Trust

Any person who seeks to transfer any Shares in circumstances which would be exempted from the provisions of Article 13.5 by reason of the application of Article 13.4.8 shall give notice to the Directors of his intention to effect such transfer and if within thirty days from receipt of such notice the Directors give notice to him requiring that the Shares be offered to the trustees of an Employee Benefit Trust, it shall be deemed that such person had offered to transfer those Shares to such trustees at a price equal to their fair value determined in accordance with Article 13.7. All the provisions of Articles 13.9 and 13.12 shall apply as if the Shares had been offered under the transfer pre-emption provisions and applied for by and allocated to the trustees of the Employee Benefit Trust

13.17 Deemed Transfer Notice

In any case where under the provisions of this Article the Directors may require a Transfer Notice to be given in respect of any shares, if a Transfer Notice is not duly given within a period of two weeks of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period

13.18 Renunciation of Allotment

Any direction, whether by way of renunciation, nomination or otherwise, by a person entitled to an allotment of Shares, to the effect that such Shares or any of them be allotted or issued to some person other than himself, shall be deemed to constitute a transfer of the Share or Shares comprised in such direction and the provisions in this Article shall apply accordingly

13.19 Refusal of Registration of Share Transfers

13.19.1 Notwithstanding the foregoing provisions of this Article but provided that they state their reasons for so doing, the Directors may decline to register any transfer

- (a) of any Share (including the renunciation of any letter of allotment) on which the Company has a lien,
- (b) of a Share to (including the renunciation of any letter of allotment in favour of) a person of whom they do not approve provided that their approval shall not be unreasonably withheld,
- (c) which is not lodged at the Office or such other place as the Directors may appoint,
- (d) which is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may require to show the right of the transferor to make the transfer,
- (e) which relates to more than one class of Share,
- (f) which is in favour of more than four transferees,
- (g) on which stamp duty has not been duly paid,

13.19.2 the Directors shall refuse to register any transfer of Shares which is in breach of Articles 13 or 14

13.20 Notice of Refusal to Transfer

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

13.21 Retention of Transfers

All instruments of transfer which are registered may be retained by the Company. Any instrument of transfer not registered shall be returned to the person who deposited it

13.22 No Registration Fees

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

13.23 Suspension of Registration

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in aggregate in any calendar year) as the directors may decide

14. TAG ALONG AND DRAG ALONG RIGHTS

14.1 Tag Along Rights

14.1.1 Without prejudice to the requirements of Article 13, if any Member or other person (other than Sir Martin Francis Wood, Lady Kathleen Audrey Wood, their Privileged Relations as defined in Article 13.15.1 and their respective personal representatives) this Article 14.1 shall not have effect upon or in relation to any transfer or intended transfer by any of them) entitled to Shares intends to transfer any Shares other than by way of security only (a "Transferring Shareholder") and when effected the transfer of Shares by the Transferring Shareholder (alone or when added to other Shares intended to be transferred by any Member in the same transaction or series of connected transactions) would enable any person or persons connected with each other or persons acting in concert with each other (but so that the then existing Members shall not by virtue of being Members be regarded for this purpose as acting in concert together) to obtain or consolidate control over more than fifty per cent of the general voting rights attached to the Shares then in issue, he shall give to the Company notice of such intention and circumstances together with all relevant information concerning the intended transfer (including the information required by Article 13.5)

14.1.2 Within fourteen days of receipt of a notice pursuant to Article 14.1.1, the Company shall give notice of the same to all members and each member (each a "Tagger") shall have the option exercisable by notice in writing (the "Tag Along Notice") given to the Transferring Shareholder before the expiration of twenty-eight days following the date of such notice to require the Transferring Shareholder to procure at the same time a purchaser or purchasers for all (but not some only) of the Shares then held by the Tagger ("Tag Along Shares")

- (a) in the case of Shares of the same class as any Shares comprised in the intended sale by the Transferring Shareholder - on the same or no less favourable terms as will be given to the Transferring Shareholder for Shares of the same class,
- (b) in the case of Shares of a class which is different to any class of Shares comprised in the intended sale by the Transferring

Shareholder – on the same or no less favourable terms as will be given to the Transferring Shareholder for Shares of the class whose rights are closest to those held by the Tagger after making such adjustment for the difference in rights as is agreed between the Tagger and the intended purchaser or in default of agreement conclusively determined by the Auditors acting as experts

- 14 1 3 If a Tag-Along Notice is duly given and the Transferring Shareholder does not cause the transferee (or its nominee) or the transferees (or their nominees) to purchase all of the Tag Along Shares on the terms required by Article 14 1 2, then the Transferring Shareholder shall not sell or otherwise transfer any Shares to the transferee or transferees,
- 14 1 4 if a Tag-Along Notice is duly given then
- (a) if for any reason application for all the Shares offered by the Transferring Shareholder pursuant to Article 13 has not been made pursuant to Article 13 11, no Transfer Notice need be served pursuant to Article 13 5 in respect of the Tag-Along Shares,
 - (b) save as provided by the preceding paragraph (a), Article 13 shall have effect in respect of the Tag-Along Shares,

14.2 Drag-Along Rights

- 14 2 1 Provided that the transfer of Shares by the Transferring Shareholder is a bona fide sale on an arms length basis to a third party not connected or acting in concert with the Transferring Shareholder, if, when effected, the transfer of Shares by the Transferring Shareholder (alone or when added to other Shares sold in the same transaction or series of connected transactions) would enable any person or persons connected with each other or persons acting in concert with each other (other than a shareholder in the Company) to obtain or consolidate control over more than two-thirds of the general voting rights attached to the Shares then in issue, each Transferring Shareholder (each a “Dragger”) shall have the option exercisable by notice in writing (the “Drag Along Notice”), given to all (and not some only) of the shareholders except any other Transferring Shareholders (“the Remaining Shareholders”) before the expiration of the Relevant Period to require the Remaining Shareholders to offer for sale at the same time all of the Shares then held by such Remaining Shareholders (“Drag Along Shares”) on the same or no less favourable terms as will be given to the Transferring Shareholder for Shares of the same class or (in the case of Shares of a class which is different to any class of Shares comprised in the intended sale by the Transferring Shareholder) on the same or no less favourable terms as will be given to the Transferring Shareholder for Shares of the class whose rights are closest to those held by the Remaining Shareholders after making such adjustment for the difference in rights as is agreed between the Remaining Shareholders holding such Shares and the intended purchaser or in default of agreement conclusively determined by the Auditors acting as experts not arbitrators
- 14 2 2 If a Drag Along Notice is duly given the Remaining Shareholders shall transfer in compliance with the Drag Along Notice all the Shares held by them and if they fail to do so Article 13 12 shall apply mutatis mutandis Provided That the Remaining Shareholders shall not be obliged to transfer their Drag Along Shares before completion of the sale of all the Shares being sold by the Transferring Shareholders upon which the Drag Along Notice is based
- 14 2 3 In this Article 14 2 the “Relevant Period” is (if no notice is given by the Directors pursuant to Article 13 6) the expiry of the thirty days referred to in Article 13 6 or (if such notice is given) the expiry of the fourteen days referred to in Article 13 11 without an application pursuant to that Article being made}

14.3 Notices Irrevocable

A Tag Along Notice and a Drag Along Notice, once given, is irrevocable

14.4 Definitions

For the purposes of this Article 14

- 14 4 1 “control” means the right by virtue of holding shares in, or the possession of voting power in or in relation to, the Company or any other body corporate to exercise or procure the exercise of the voting rights attached to the relevant shares, and
- 14 4 2 “group of companies” means a company and its subsidiaries, and
- 14 4 3 “acting in concert” shall have the meaning assigned to it by the City Code on Takeovers and Mergers, and
- 14 4 4 Article 13 2 shall have effect

15. TRANSMISSION OF SHARES

15.1 Succession 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 in the Shares held by him 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

15.2 Dealings on Death and Bankruptcy

Upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the Share, and subject as hereinafter provided, any person becoming entitled to a Share in consequence of the death or bankruptcy of a Member may either be registered himself as holder of the Share upon giving to the Company notice in writing of such his desire, or transfer such Share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors may at any time require such person either to elect to be registered himself or to transfer the Shares and if such person fails to do either within such period (not being less than forty-two days) specified by the Directors in their notice to such person, the Directors may thereafter withhold dividends and other sums payable in respect of the Shares until their notice is complied with

15.3 Entitlement to Share Rights on Death or Bankruptcy

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 (save with the authority of the Directors) he shall not be entitled in respect thereof to attend or vote at, or exercise any other 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

16. GENERAL MEETINGS

16.1 Annual General Meetings

An Annual General Meeting shall be held 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.

16.2 Extraordinary General Meetings

The Directors may whenever they think fit, and shall on a member's requisition in accordance with the Statutes, convene an Extraordinary General Meeting.

17. NOTICE OF GENERAL MEETINGS

17.1 Notice

Subject to Article 17.2, an Annual General Meeting and any 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 not less than twenty-one days' notice in writing, and any other General Meeting by not less than fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all Members on the Register of Members at the date of issue of such notice (other than those who are not under the provisions of these Articles entitled to receive such notices from the Company) and to all persons entitled under Article 4.6.3 to receive notice of meetings. Provided That

17.1.1 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,

17.1.2 any Member present (in person or by proxy) at any meeting shall be deemed to have received due notice of that meeting and of the purposes for which it was convened.

17.2 Short Notice

Notwithstanding that it has been called by a shorter notice than that specified above, a General Meeting shall be deemed to have been duly called if it is so agreed:

17.2.1 in the case of an Annual General Meeting, by all Members entitled to attend and vote thereat, and

17.2.2 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 ninety-five per cent in nominal value of the Shares giving that right.

17.3 Auditors

Notice of any General Meeting shall be given to the Auditors but failure to do so shall not invalidate the notice or the proceedings transacted at the Meeting.

18. CONTENTS OF NOTICES

18.1 General Meeting

Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and general nature of the business proposed to be transacted thereat 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 vote instead of him and that a proxy need not be a Member of the Company

18.2 Annual General Meeting

In the case of an Annual General Meeting, the notice shall also specify the meeting as such

18.3 Extraordinary or Special Resolutions

If at any General Meeting any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect and shall comply with the requirements of law as to specifying the content of such Resolutions

19. MEMBERS' REQUISITIONS

The Directors shall on the requisition of Members in accordance with the provisions of the Statutes, but subject as therein provided

19.1.1 give to the Members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting,

19.1.2 circulate to the Members entitled to have notice of any General Meeting, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting

20. PROCEEDINGS AT GENERAL MEETINGS

20.1 Quorum

No business shall be transacted at any General Meeting unless a quorum is present when the meeting commences and when the business is voted upon. Two Members present in person or proxy or (being a corporation) acting by its representative shall be a quorum for all purposes

20.2 Absence of Quorum

If within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) from the time appointed for a General Meeting 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 decide 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. If at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved

20.3 Form of Meeting

Any meeting may be held effectively if held in a single location or in a number of locations linked by telephonic, audio or audio-visual or other equipment so that each person attending the meeting is able to hear and be heard by the other persons attending the meeting at any of its locations and so that the proceedings at each location proceed simultaneously. Participation in any such meeting in this way shall be deemed to constitute presence in person at the said meeting

20.4 Chairman of Meetings

The Chairman, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman for the time being in office, or if at any meeting neither be present within fifteen 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.

20.5 Adjournments

The chairman of the meeting may, if he believes it to be impracticable to hold or continue the meeting, or with the consent of the meeting if a quorum is present (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. When a meeting is adjourned sine die or for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. If a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

20.6 Amendments

Any amendment to any Ordinary Resolution (other than a mere clerical error to correct a patent error) must be delivered to the Office not less than forty eight hours before the time of the meeting at which it is to be proposed. 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.

20.7 Voting

A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded

20.7.1 by the chairman; or

20.7.2 by at least two members having the right to vote at the meeting, or

20.7.3 by a member or members representing not less than one-twentieth of the total voting rights of all the members having the right to vote at the meeting or upon the resolution, or

20.7.4 by a member or members holding Shares 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,

and a demand by a person as proxy for a member shall be the same as a demand by the member.

20.8 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.

20.9 Demand for Poll

Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

20.10 Withdrawal of Demand for Poll

A demand for a poll may be withdrawn with the consent of the chairman of the meeting at any time before the close of the meeting or the taking of the poll (whichever shall be earlier) If the demand for a poll is withdrawn and no further demand for a poll is thereupon made, the result of any vote already taken on a show of hands shall be effective

20.11 Conduct of Poll

If a poll is duly demanded (and the demand be not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets and by post or not) as the chairman of the meeting may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded In declaring the result of the poll the chairman shall state the number of votes cast in favour, and the number cast against, the resolution respectively by members present in person and by members present by proxy 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

20.12 Time of Poll

A poll demanded on the election of a chairman of the meeting 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 of the meeting may direct No notice need be given of a poll not taken immediately

20.13 Continuance of Business

The demand for a poll shall not prevent the meeting continuing for the transaction of any business other than the question on which the poll has been demanded

21. VOTES OF MEMBERS

21.1 Votes

Subject to any rights or restrictions attached to any Shares and as otherwise provided in these Articles and subject to Article 15 3, on a show of hands every Member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every Member shall have one vote for every Share of which he is the holder PROVIDED THAT on any resolution for a matter referred to in Article 2 2 or Article 27 5 every member shall have ten thousand votes for every A Ordinary Share of which he is the holder

21.2 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 of Members in respect of the joint holding

21.3 Mental Incapacity

A Member of unsound mind or in respect of whom or whose property an order has been made by any court having jurisdiction in matters of mental incapacity may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote

21.4 Objections to Votes

No objection shall be raised as to the admissibility of any vote or the correctness of the result of any voting upon a resolution except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered or the resolution passed, and every vote not disallowed at such meeting and every resolution declared thereat to be passed 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

21.5 Manner of Voting

On a poll, votes may be given either personally, which in the case of a body corporate shall include its authorised representative, 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

21.6 Votes of Unpaid Shares

No member shall vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by him unless all monies presently payable by him in respect of that Share have been paid

21.7 Resolutions in Writing

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 signed by or on behalf of one or more Members For this purpose an instrument shall be signed if attested or verified by any human or mechanical signature which the Directors believe in good faith to be that of the Member alleged to be signing the instrument

22. PROXIES

22.1 Form and Execution

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

22.1.1 in the case of an individual shall be signed by the appointor or by his attorney, and

22.1.2 in the case of a corporation shall be either given under its common seal (if any) or signed on its behalf by an attorney or a duly authorised officer of the corporation

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer The signature on such instrument need not be witnessed

22.2 Identity of Proxy

A proxy need not be a Member

22.3 Application to Adjournments

Unless the contrary is stated thereon, an instrument duly appointing a proxy shall be valid as well for any adjournment of the meeting as for the meeting to which it relates

22.4 Lodgement with Company

An instrument (or, if an address has been specified by the Company for the receipt of electronic communications in the notice convening the meeting or adjourned meeting or notifying the poll or in any proxy or invitation to appoint a proxy for the same, then any electronic communication) appointing a proxy, together with the power of attorney or other authority under which it is signed (or a copy thereof certified notarially or in accordance with the Powers of Attorney Act 1971 or as the Directors shall accept) must be left at the Office or such other place (if any) as is specified for that purpose in or by way of note to the notice convening the meeting or adjourned meeting not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll at which it is to be used and in default may be treated as invalid

22.5 Power 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

22.6 Revocation

A vote cast or poll demanded 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 unless intimation in writing of such previous death or insanity or revocation has been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast

23. CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

Any corporation which is a Member 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 and 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 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. It shall not be necessary for any such authority to be lodged with the Company in advance of the meeting but the chairman of the meeting may require there to be produced to him satisfactory evidence of the authority of any person claiming to represent a corporation in default of which that person may not attend, speak or vote at the meeting

24. DIRECTORS

24.1 Number

Subject as hereinafter provided, the Directors shall not be less than two but unless and until otherwise resolved by the Company in general meeting there shall be no maximum number of Directors. The Company may by Ordinary Resolution from time to time increase or reduce the minimum number of Directors or impose, increase or reduce any maximum number of Directors. A Director who is in office upon the appointment of the

holder or holders of a majority of the A Ordinary Shares shall not be counted in calculating whether any maximum number of Directors has been reached or exceeded

24.2 Vacancies

The continuing Directors or Director may act notwithstanding any vacancy in their number, but if and for so long as the number of Directors is less than the minimum number fixed by or in accordance with these Articles, the continuing Director or Directors may act for the purpose of appointing an additional Director or Directors or of summoning a General Meeting of the Company but not for any other purpose. If no Directors are in office and willing and able to act, any two Members may convene a General Meeting of the Company in order to appoint Directors.

24.3 No Share Qualification

No Director shall be required to hold any Shares by way of qualification for office.

24.4 General Meetings

A Director shall by virtue of his office be entitled to attend and speak at any meeting of Members or of any class of Members.

25. DIRECTORS' REMUNERATION

25.1 Ordinary Remuneration

The ordinary remuneration of the Directors for their services as such shall be such sum as the Directors or any committee of the Directors empowered in that behalf shall determine.

25.2 Executive Remuneration

Any Director who is appointed to any executive office pursuant to Article 26 (including for avoidance of doubt the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity) or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, or who is employed by the Company or any subsidiary of the Company may be paid (in addition to any other remuneration to which he may be entitled) such remuneration by way of salary, percentage of profits or otherwise as the Remuneration Committee constituted pursuant to Article 30.3 (or, in the case of a Director who is a member of the Remuneration Committee, the full Board) considers to be appropriate.

25.3 Remuneration Decisions

No Director may vote or be counted in a quorum for the purposes of determining his own remuneration.

25.4 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.

25.5 Pensions

Subject to the provisions of the Statutes and of Articles 29.4 and 29.5, 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 person, including any Director or ex-Director, who may hold or have held any executive office or any office of profit under the Company or any subsidiary undertaking or the dependants or relations of any of the same and for the purpose of providing any such pensions or other benefits.

to contribute to any scheme or fund or to pay premiums. No Director shall be accountable to the Company by reason of his office for any benefits received by him from the exercise of this power and receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

25.6 Conflicts of Interest

Subject to the provisions of the Statutes and of Articles 29.4 and 29.5, a Director (or alternate Director) may contract or be interested in any contract or arrangement with the Company or in which the Company may be in any way interested and may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company) under the Company or any other company in which the Company may be interested and he or any firm of which he is a member may act in a professional capacity for the Company, or any such other company and be remunerated therefor and in any such case (unless otherwise agreed) he or his firm (as the case may be) may retain for his or their own absolute use and benefit all profits and advantages accruing to him therefrom or as a consequence thereof. A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested or with which the Company has any commercial relations or dealings and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him in respect or by reason of such office or interest. The Directors may cause the voting rights attached to any shares in any other company held by the Company to be exercised as they see fit even upon a resolution for their own appointment to an office or place of profit with such company or the voting by such company of remuneration to themselves.

26. EXECUTIVE OFFICE

26.1 Appointment

Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to be the holder of any offices, including without limitation the offices of Chairman, Deputy Chairman, Chief Executive and Managing Director, on such terms and (subject to the Statutes) for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

26.2 Termination of Directorship

The Company may terminate the appointment of any Director to any executive office if he ceases from any cause to be a Director, and in the case of the Chairman or Deputy Chairman or Chief Executive his appointment shall automatically terminate if he ceases to be a Director, but in any such case such termination of his appointment shall be without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

26.3 Delegation of Powers

The Directors may entrust to and confer upon a Director holding any executive office any of the powers exercisable by them as Directors (save the determination of remuneration of any of the Directors or Alternate 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.

26.4 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, and shall not by virtue of his office as President be deemed to, be a Director but, if not a Director, shall be entitled unless the Board otherwise resolves to receive notice of and attend and speak, but not to vote, at all meetings of the Board of Directors

27. APPOINTMENT AND RETIREMENT OF DIRECTORS

27.1 General Power of Appointment

Subject to the provisions of these Articles, the Company in General Meeting may elect and the Board may appoint any person to be a Director whether to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not exceed any maximum number for the time being fixed by or in accordance with these Articles. A motion for the appointment of two or more persons as Directors by a single resolution shall not be made at any General Meeting unless first agreed by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void.

27.2 Termination of Office

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

- 27 2 1 if by law he ceases to be, or he becomes prohibited from acting as, a Director,
- 27 2 2 if (not being a Director holding office as such for a fixed term) he resigns by writing under his hand left at the Office or if he offers his resignation in writing and that offer is accepted by the Directors,
- 27 2 3 if he has a receiving order made against him or compounds with his creditors generally,
- 27 2 4 if he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated,
- 27 2 5 if he is absent from meetings of the Directors for six months without leave, or is convicted of any criminal offence involving dishonesty, and in either event the Directors resolve that his office be vacated,
- 27 2 6 if (not having been appointed pursuant to Article 27 4) he is removed from office pursuant to these Articles,
- 27 2 7 if (having been appointed pursuant to Article 27 4) he is removed pursuant to Article 27 4,
- 27 2 8 if, being an Executive Director, his employment with the Company and its subsidiaries and subsidiary undertakings terminates for whatsoever cause, unless in any case the Board otherwise resolves (and for this purpose a Director shall be an Executive Director if he acts as an executive or holds any executive position of or with the Company or any subsidiary or subsidiary undertaking of the Company)

27.3 Removal

The Company may by Ordinary Resolution of which special notice under Section 379 of the Act has been given remove any Director before the expiration of his period of 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. The Company may by a like resolution appoint another person in place of a Director so removed from office. In default of such appointment, the vacancy so arising may be filled by the Directors as a casual vacancy.

27.4 Appointment by A Ordinary Shareholders of Director

The holder or holders of more than one half of the A Ordinary Shares for the time being in issue shall be entitled at any time and from time to time to appoint any person a

director of the Company, to determine the period for which such person is to hold office and to remove from office any person so appointed, but so that there shall not be in office at any one time more than one person appointed pursuant to this provision. On any resolution for appointment of a director pursuant to this Article or for removal of any person who has been so appointed, each A Ordinary Share shall carry ten thousand votes. Every appointment, determination or removal made pursuant to this Article shall be made by notice in writing, signed by or on behalf of the person or persons entitled to make the same and shall be deposited at the office or delivered to a meeting of the Board. The A Director shall be entitled to discuss with any holder of A Ordinary Shares the affairs of the Company and may disclose to any such holder any information which comes to his knowledge in his capacity as a director of the Company or in the course of acting as such.

28. ALTERNATE DIRECTORS

28.1 Appointment

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 Director or other person approved by the Directors to be his Alternate Director and may in like manner at any time terminate such appointment. The Directors may withdraw their approval of an alternate (other than of an alternate who is another Director) on not less than seven days' written notice to the appointor.

28.2 Termination of Appointment

The appointment of an Alternate Director shall ipso facto determine (i) on the happening of any event which if he were a Director would render him legally disqualified from acting as a Director, or (ii) if he has a receiving order made against him or compounds with his creditors generally, or (iii) if he becomes of unsound mind. His appointment shall also determine ipso facto if his appointor ceases for any reason to be a Director. Provided That if any Director retires by rotation but is re-elected at the meeting at which such retirement takes effect any appointment by him of an Alternate Director which is in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired.

28.3 Powers of Alternate

Subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him, an Alternate Director shall be entitled to receive notice of meetings of the Directors and to attend, speak and vote at any such meeting at which his appointor is not personally present and generally at such meeting to perform all other functions of his appointor as a Director under these Articles and he shall be entitled to sign any resolution in accordance with the provisions of Article 29.11. An Alternate Director who is himself a Director shall have separate votes in his capacity as Alternate and in his capacity as a Director, and a person acting as Alternate Director for more than one Director shall be entitled to a separate vote for each Director whom he represents. 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. To such extent as the Directors may from time to time determine in relation to any committee of the Directors the foregoing provisions of this paragraph shall also apply to any meeting of any such committee of which his appointor is a member.

28.4 Alternate's Interests and Remuneration

An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid by the Company such expenses as might properly be repaid to him if he were a Director and he shall be

entitled to receive from the Company such proportion (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, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company

28.5 Recognition of Alternate

An Alternate Director shall not be taken into account at any time in reckoning the minimum or maximum number of Directors allowed but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which his appointor is not present

28.6 Responsibility for Alternate's Acts

Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

29. PROCEEDINGS OF DIRECTORS

29.1 Directors Meetings

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. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice of any meeting shall be given to each Director and to any observer in office on appointment pursuant to Article 31 verbally or in writing to such address as he may from time to time give to the Company as the address at which communications may be given to him but any Director may waive notice of any meeting, in advance or retrospectively. Accidental omission to give notice to an observer shall not invalidate the meeting

29.2 Quorum

The quorum necessary for the transaction of the 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. Provided That if on any matter no quorum is present by reason of the operation of Article 29.5 but the only Director or Directors who are not disqualified by that Article from being counted in the quorum on that matter is or are present, then the Director or Directors who are not so disqualified shall be a quorum notwithstanding that they are fewer than the number otherwise required to form a quorum. 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

29.3 Voting

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

29.4 Declaration of Interests

A Director who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes. The failure to notify such interest shall not invalidate the proceedings or any resolution passed if, disregarding the vote of such Director and taking into account in the case of a resultant equality of votes the second or casting vote of the Chairman of the meeting (and so that if the Chairman did not in fact exercise his casting vote, he be deemed to have cast it the same way as he cast his first vote as a Director) the resolution would in any event have been passed

29.5 Conflicts of Interest

Save as herein otherwise provided, a Director shall not vote upon any resolution of the Directors concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof or the termination thereof) nor shall he vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any interest which, together with any interest of any person connected with him (within the meaning of Section 346 of the Act) is a material interest other than through his holding of shares, debentures or other securities of or interest in the Company or otherwise in or through the Company (and if he shall do so his vote shall not be counted) nor shall he be counted for the purpose of any resolution regarding the same in the quorum present at the meeting, but (subject to the provisions of the Statutes and to his not having some other material interest) this Article shall not apply to any of the following matters, namely

- 29 5 1 any arrangement relating to the giving of any guarantee, security or indemnity in respect of money lent or obligations undertaken by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings,
- 29 5 2 any arrangement relating to the giving by the Company or any of its subsidiaries of any guarantee, security or indemnity to a third party in respect of a debt or 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,
- 29 5 3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase by Members or any holders of any securities of the Company or by the public or any section of the public in which offer he is or may be interested as a holder of such securities or as a participant in the underwriting or sub-underwriting thereof;
- 29 5 4 any proposal concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever, Provided That he is not interested in shares (as that term is used in Part VI of the Act) representing one percent or more of any class of the equity share capital of such company or the voting rights exercisable members of such company,
- 29 5 5 any such scheme or fund as is referred to in Article 25 5 which relates both to Directors and to employees or a class of employees and does not accord to any Director as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates,
- 29 5 6 any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme which provides for persons employed by the Company and its subsidiary undertakings (including Directors holding executive positions with the Company or any of its subsidiary undertakings) to acquire Shares or any other similar arrangement for the benefit of such employees under which the Director benefits in a similar manner to such employees and does not accord to any Director as such any privilege or advantage not generally accorded to other participating employees,
- 29 5 7 any proposal concerning any insurance in respect or for the benefit of any person or persons who is or are or include Directors of the Company, being insurance of the kind referred to in Article 48 2 or any other insurance which the Company has power to arrange and maintain,
- 29 5 8 any other proposal for the benefit of employees of the Company or any subsidiary of the Company under which a Director benefits in a similar manner as the employees and which does not accord to any Director as such

any privilege or advantage not generally accorded to the employees to whom such proposal relates

29.6 Specific Relaxation of Voting Restrictions

The provisions of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified, by Ordinary Resolution of the Company

29.7 Decisions upon Director's Material Interest

If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director 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 other Director shall be final and conclusive unless the nature or extent of the interests of such Director has not been fairly disclosed. If any such question shall arise in respect of the chairman of the meeting, it shall be decided by resolution of the Board (for which purpose the chairman shall neither be counted in the quorum nor vote) and such resolution shall be final and conclusive unless the nature or extent of the interests of the chairman have not been fairly disclosed

29.8 Resolutions on Appointments

Where proposals are under consideration concerning the appointment (including the arrangement or variation of the terms of appointment or its termination) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such 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 the provisions of Article 29.5) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (including the arrangement or variation of the terms thereof or the termination thereof)

29.9 Election of Officers

The Directors may from time to time elect a Chairman and Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office and may remove any of them from office at any time

29.10 Chairman of Meetings

Subject as otherwise stated in this Article, the Chairman shall be the chairman of any meeting of the Directors. If there is for the time being no Chairman holding that office, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Deputy Chairman (or if there be more than one Deputy Chairman in office, the one of those present who has the longest continuous period of holding that office or if they be equal in that respect the one appointed to act as chairman by the Directors) shall be the chairman of the meeting. If for the time being there is neither a Chairman nor a Deputy Chairman holding that office, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be the chairman of the meeting

29.11 Written Resolutions

A resolution in writing signed or approved in writing by letter, telex, facsimile transmission, electronic mail or other means of telecommunication by all the Directors for the time being entitled to receive notice of a meeting of the Directors (provided their number is sufficient to constitute a quorum) or by all the members of a committee for

the time being, or their respective Alternates shall be as effective as a resolution passed at a meeting of the Directors or (as the case may be) of a committee duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors, but a resolution signed by an Alternate need not also be signed by his appointor and, if it is signed by a Director who has appointed an Alternate, it need not be signed by the Alternate in that capacity

29.12 Form of Meetings

Any meeting may be held effectively if held in a single location or in a number of locations linked by telephonic, audio or audio-visual or other equipment so that each person attending the meeting is able to hear and be heard by the other persons attending the meeting at any of its locations and so that the proceedings at each location proceed simultaneously. Participation in any such meeting in this way shall be deemed to constitute presence in person at the said meeting.

29.13 Defect in Form

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

30. COMMITTEES

30.1 Delegation to Committees

The Directors may delegate any of their powers (including those relating to the determination of the remuneration of Directors, Associate Directors or Alternate Directors) to committees consisting of such member or members of their body and such (if any) other persons as they think fit save that such other persons shall at all times comprise less than one half of such committee and no resolution of any meeting of any such committee shall be effective unless a majority of members of such committee present at the meeting at the time that the resolution was put to the vote are Directors. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the Directors.

30.2 Regulation of Committee Proceedings

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

30.3 Remuneration Committee

The Directors shall constitute a committee comprising directors who are not employed by and do not have executive functions with the Company or any subsidiary of the Company and such committee shall determine the remuneration of all forms of any person who is a director other than themselves. The Director for the time being in office by appointment pursuant to Article 27.5 shall be a member of such committee if he so requests.

31. APPOINTMENT OF AN OBSERVER

Without prejudice to their right to appoint a director under the preceding Article 27 5 1, the holder or holders of the issued A Ordinary Shares shall be entitled at any time and from time to time to appoint any person an observer, to terminate such appointment and appoint any other person but so that there shall not be more than one person appointed as an observer at any one time pursuant to this provision. Any person so appointed as an observer shall be entitled to receive notice of, attend and speak at but not vote at all meetings of the Directors and any committee constituted by the Directors. Every appointment or termination of an observer pursuant to this Article shall be made by notice in writing, signed by or on behalf of the person or persons entitled to make the same and shall be deposited at the office or delivered to a meeting of the Directors.

32. ASSOCIATE AND TITULAR DIRECTORS

32.1 Appointment

The Directors may at any time and from time to time appoint any person or persons to an office or position bearing such qualified title including the word 'director' (with or without the word 'associate') as the Directors shall think fit.

32.2 Status

Any person so appointed shall not be a Director of the Company and shall not have power by virtue of this appointment to exercise any of the rights or powers of a Director of the Company, save only as may from time to time be specifically delegated to him by the Directors.

32.3 Term of Office

Any person so appointed shall hold the office or position for so long as the Directors think fit and regardless of any provision in any contract between him and the Company may be removed from such office or position by resolution of the Directors and as otherwise provided by the terms of his appointment.

32.4 Delegation of Powers

The Directors may from time to time delegate to any person so appointed such powers, duties and responsibilities as they shall think fit but such appointee shall exercise the same in all respects subject to and in accordance with the directions of the Directors.

32.5 Meetings

A person appointed to such an office or position shall not be entitled to attend, speak or vote at any meeting of the Directors save at the express invitation of the Directors, but if invited to attend, shall be entitled to speak but not to vote upon any matter under discussion at the meeting so attended. Any such appointee present at a meeting of the Directors shall not be counted in the quorum of Directors required for such meeting.

32.6 Remuneration

A person appointed to such an office or position shall not be entitled to any remuneration or other benefits in connection with his appointment save only any which may be specifically agreed between him and the Directors.

33. GENERAL POWERS OF DIRECTORS

33.1 General Authority

The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these Articles (including compliance with Article 2 2), to the provisions of the Statutes and to such regulations (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in general meeting, 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.

33.2 Borrowing Powers

Subject to the provisions of the Statutes and Article 2 and without limiting the provisions of Article 33 1, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) 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 and to give guarantees and indemnities in respect of any borrowing by the Company or by any other person.

34. PROVISION FOR EMPLOYEES

The Directors may by resolution exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

35. APPOINTMENT OF ATTORNEYS

The Directors may from time to time and at any time by power of attorney executed as a deed by the Company 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.

36. NEGOTIABLE INSTRUMENTS

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

37. SECRETARY

37.1 Appointment, Terms and Removal

Subject to the provisions of the Statutes, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company

37.2 Joint and Assistant Secretaries

The Directors may appoint more than one person to act as Joint Secretaries and may appoint any person or persons to act as Assistant Secretary Any person so appointed may exercise such of the powers of the Secretary as may be conferred upon him in his appointment

38. SEALS AND EXECUTION OF DOCUMENTS

38.1 Power to Have Seal

The Company may exercise the powers conferred by the Statutes with regard to having official seals and such powers shall be vested in the Directors

38.2 Use of Seal

The Directors shall provide for the safe custody of the Seal and any official seal, which shall be used only by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf and, subject as otherwise provided by these Articles, every instrument to which any seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose The Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed or reproduced by mechanical or electronic means or by laser printing or by such other means as they from time to time decide

38.3 Execution of Documents

To the extent permitted by the Statutes, any document signed by a Director and the Secretary of the Company, or by two of the Directors and expressed (in whatever form of words) to be executed by the Company, shall have the same effect as if executed under the Seal Provided That no document which makes it clear on its face that it is intended to be a deed shall be so signed without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf

39. DOCUMENTS

39.1 Power to Authenticate

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

39.2 Certified Minutes

A document purporting to be a copy of a resolution of Members or of the Directors or an extract from the minutes of a meeting of Members or the Directors which is certified as such in accordance with the provisions of the last preceding Article, 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 such extract is a true and accurate record of a duly constituted meeting of the Directors

39.3 Destruction of Documents

The Company may destroy.

- 39 3 1 any share certificate which has been cancelled, at any time after the expiry of one year from the date of such cancellation,
- 39 3 2 any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, at any time after the expiry of two years from the date such mandate, variation cancellation or notification was recorded by the Company,
- 39 3 3 any instrument of transfer of shares which has been registered, at any time after the expiry of six years from the date of registration, and
- 39 3 4 any other document on the basis of which any entry in the Company's register of members is made, at any time after the expiry of six years from the date an entry in the Company's register of members was first made in respect of it,

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided always that

- (a) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim,
- (b) nothing contained in this Article 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 case where the conditions of proviso (a) above are not fulfilled, and
- (c) references in this Article to the destruction of any document include references to its disposal in any manner

40. 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 into one fund any special funds or any parts of any special funds into which the reserve may have been divided The Directors may also without placing the same to reserve carry forward any profits In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes

41. DIVIDENDS

41.1 Declaration

Subject to the provisions of the Statutes, the Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be declared or paid except out of the profits of the Company or in excess of the amount recommended by the Directors

41.2 Fixed and Interim Dividends

Subject to the provisions of the Statutes and 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 from time to time declare and pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit

41.3 Entitlement and Apportionment

Unless and to the extent that the special rights attached to any Shares or the terms of issue thereof otherwise provide, all dividends shall be declared and paid according to the amounts paid on the Shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a Share in advance of calls shall be treated as paid on the Share. All dividends shall 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, save that if any share is issued on terms providing that it shall rank for dividend in whole or in part as from a particular date, such Share shall rank for dividend accordingly

41.4 Record Date

The Company or the Directors may determine any date as the record date for any dividend, distribution, allotment or issue whether it is before or after the date upon which the same is declared made or paid

41.5 Pre-acquisition Profits

Subject to the provisions of the Statutes, where any asset, business or property is acquired by the Company as from a past date (whether before or after incorporation of the Company) upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses, at the discretion of the Directors may be carried to revenue account, in whole or in part, 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

41.6 Share Premium Account

If the Company shall issue Shares at a premium, whether for cash or otherwise, the Directors shall, subject to the provisions of the Statutes, transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividends

41.7 No Interest Payable

No dividend or other monies payable on or in respect of a Share shall bear interest as against the Company

- 41.8 Deduction of Calls**
The Directors may deduct from any dividend or other monies payable to any Member on or in respect of a Share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to Shares
- 41.9 Exercise of Lien**
The Directors may retain any dividend or other monies 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
- 41.10 Shares Subject to Transmission**
The Directors may retain the dividends payable upon Shares in respect of which any person is entitled to become a Member under the provisions as to the transmission of shares hereinbefore contained, 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
- 41.11 Unclaimed Dividends**
The payment into a separate account by the Directors of any unclaimed dividend or other monies payable on or in respect of a Share shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date such dividend became due for payment shall be forfeited and shall revert to the Company
- 41.12 Power to Withhold**
If on two consecutive occasions a cheque or warrant for a dividend payable to a Member is returned undelivered or remains uncashed, or following one such occasion where reasonable enquiries by or on behalf of the Company have failed to establish any new address for such member, the Directors may cause any further dividends upon Shares held by that Member to be withheld until they receive notice from that Member of an address to which payment may be sent
- 41.13 Dividend Waivers**
The waiver in whole or in part of any dividend 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 to which the dividend relates 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
- 41.14 Dividends in Specie**
Upon the recommendation of the Directors, the Company may by Ordinary Resolution direct or offer payment of a dividend or a series of dividends in respect of a specified period in whole or in part by the issue or distribution of specific assets (and in particular of paid-up shares or debentures of any other company) or in any one or more of such ways and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors
- 41.15 Manner of Payment**
Any dividend or other monies payable in cash on or in respect of a Share may be paid by cheque or warrant sent through the post to the registered address of the Member or

person entitled thereto or, if two or more persons are registered as joint holders of the Share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the Share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the monies represented thereby.

41.16 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 monies payable on or in respect of the Share.

42. CAPITALISATION OF PROFITS AND RESERVES

42.1 Power of Capitalisation

The Company, upon the recommendation of the Directors, may from time to time by Ordinary Resolution resolve that it is desirable to capitalise any present or future sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or any present or future sum standing to the credit of the profit and loss account of the Company or otherwise available for distribution and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised (unless directed and authorised by a prior Special Resolution with the consent of any Members thereby disadvantaged to appropriate the sum to the Members in some other proportions) to the Members or any class of Members who would be entitled thereto if distributed by way of dividend and in the same proportions and to apply such sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by such Members respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid (or as otherwise directed and authorised by special resolution) or partly in one way and partly in the other. Provided That the share premium account and capital redemption reserve may be applied hereunder only in the paying up of unissued Shares to be issued to Members as fully paid.

42.2 Revocation of Authority

Where the Directors are pursuant to Article 42.1 directed and authorised by Special Resolution to appropriate any sum in some other proportion than that provided in Article 42.1 then such direction and authority may only be revoked with the consent of the Members in whose favour such direction and authority has been made whose Shares shall for such purposes constitute a separate class whose consent constitutes a class right.

42.3 Implementation by Directors

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

incidental thereto and any agreement made under such authority shall be effective and binding on all concerned

43. MINUTES AND BOOKS

43.1 Minutes of Proceedings

The Directors shall cause minutes to be made in books to be provided for the purpose

- 43 1 1 of all appointments of officers made by the Directors,
- 43 1 2 of the names of the Directors present at each meeting of Directors and of any committee of Directors,
- 43 1 3 of all resolutions and proceedings at all meetings of the Company and of any class of Members of the Company and of the Directors and of Committees of Directors

43.2 Statutory Registers

The Directors shall duly comply with the provisions of the Statutes in regard to keeping a Register of Members, a Register of Directors and Secretaries, a Register of Directors' Interests, a Register of Debenture Holders, a Register of Mortgages and Charges and a Register of interests in the voting shares of the Company and in regard to the production and furnishing of copies of such registers of the Company

43.3 Form of Records

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept by making entries in bound books or by making entries in computer software, or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery

44. ACCOUNTS

44.1 Books of Account

The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office or at such other place within Great Britain as the Directors think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any book of account or document of the Company except as conferred by law or authorised by the Directors

44.2 Preparation and Submission of Accounts

The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary

44.3 Despatch of Accounts

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) together with a copy of every report of the Auditors or of any reporting accountant made pursuant to Section 294A of the Act relating thereto and of the Directors' report shall, not less than twenty-one days before the date of the meeting, be sent to every Member and every debenture holder of the Company and to every other person who is entitled to receive notices from the Company

under the provisions of the Statutes or of these Articles Provided That this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of any joint holders, but any Member 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

45. AUDITORS

45.1 Appointment and Duties

Auditors may, and if required by the Act shall, be appointed and if appointed their duties regulated in accordance with the provisions of the Statutes

45.2 Defective Appointment

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 become disqualified

45.3 General Meetings

The Auditors 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

46. NOTICES

46.1 Manner and Time of Service

Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter 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 Where a notice or other document is served by first class post, service shall be deemed to be effected twenty-four hours after the time when the letter containing the same is posted and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered at the time when it is so delivered or left

46.2 Joint Holdings

In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint Shareholders

46.3 Death or Bankruptcy

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 him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service 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 registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder

46.4 Absence of U K Address

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

46.5 Postal Notice of Meeting

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two leading national daily newspapers with appropriate circulation 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 again becomes practicable

46.6 Overriding Statutory Requirements

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

46.7 New Members

Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members in respect of it, has been duly given to a person from whom he derives his title. A person to whom shares are issued shall not be entitled to receive notice of any meeting of which notice has been given to persons who were Members at the time such notice was given

47. WINDING-UP

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

48. INDEMNITY

48.1 Indemnity

Subject to the provisions of the Statutes, every Director, Alternate 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, discharge or exercise of his duties or powers or otherwise in relation to his duties, powers, office or employment including without limitation any liability incurred by him in defending any proceedings (whether civil or criminal) relating 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 he is acquitted or the proceedings in which are otherwise disposed of without any finding or admission of any material breach of duty on his part 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

48.2 Liability Insurance

Subject to the provisions of the Statutes, the Directors shall have power to effect and maintain insurance for or in respect or for the benefit of any person or persons who hold or at any time held office as a director, secretary or auditor of, or is or was employed by, the Company or any other company which is its holding company or in which the Company or any such holding company or any predecessor of the Company or any such holding company has any direct or indirect interest or which is in any way associated with the Company or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company are interested, including without limitation insurance against any liability which any such person might incur by reason of their holding any such office, employment or position or of any act or omission in the actual or purported execution, discharge or exercise of any of their duties or powers