

THE COMPANIES ACTS 1985 to 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
IMD HOLDINGS LIMITED

(Registered No. 81670)

(Adopted by Special Resolution dated 15th November 1991)

CONSTITUTION

1. (A) The Company is established as a private company. The regulations contained in Parts I and II of Table A appended to the Companies Act 1948 shall not apply to the Company. The regulations contained in Table A as set out in Statutory Instrument 1985 No. 805 as amended by Statutory Instrument 1985 No. 1052 (hereinafter referred to as "Table A") with the exception of Regulations 2, 3, 5, 23, 24, 40, 41, 53, 64 to 69 (inclusive), 73 to 87 (inclusive), 93 and 118 of Table A, and of any other regulations which are inconsistent with the additions and modifications hereinafter set forth shall apply to the Company. In these Articles, "the Act" means the Companies Act 1985.
- (B) In these presents (if not inconsistent with the subject or context) the words and expressions standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

Words and Expressions	Meanings
financial year	the period, determined in accordance with its accounting reference period, in respect of which any accounts of the



Company are made up and that whether such period is a year or not;

the Directors

the directors for the time being of the Company.

SHARE CAPITAL

2. The Share Capital of the Company at the date of the adoption of these Articles of Association is £250,000 divided into 1,046,799 Preference Shares of 10 pence each ("Preference Shares") and 1,453,201 Ordinary Shares of 10 pence each ("Ordinary Shares").

The rights attaching to the Preference Shares and the Ordinary Shares are as follows:-

(A) As regards income:

The profits which the Company may determine to distribute in respect of any financial year shall be applied:-

- (1) In the first place in paying to the holders of the Preference Shares a fixed cumulative preferential cash dividend of 5 pence per annum per one pound of capital paid up or credited as paid up on the Preference Shares held by them respectively increasing with effect from 1st January 1997 to an amount equal to 3 per cent above the base rate of the Royal Bank of Scotland plc as at the relevant Preference Payment Date (as defined below) ("the Fixed Dividend"), such dividend (as expressed above, exclusive of any tax credit) to be payable (together with any associated tax credit) half yearly on 30th June and 31st December in each year (each date a "Preference Payment Date"); provided that the first dividend shall not be payable

on the Preference Payment Date next following the date of adoption of these Articles, but shall be payable on 30th June 1994 in respect of the period from 1st January 1994 until 30th June 1994, no Fixed Dividend accruing or being payable in respect of the period from the date of adoption of these Articles to 31st December 1993. The Fixed Dividend shall become payable on the respective dates referred to *ipso facto* and without any recommendation or resolution of the Directors or the Company in general meeting;

- (2) In the second place and subject thereto the balance of such profits determined to be distributed as aforesaid shall be distributed amongst the holders of the Ordinary Shares according to the amount paid up or credited as paid up on the Ordinary Shares held by them respectively.

(B) As regards capital:

On a return of assets on liquidation or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied:-

- (1) In the first place in paying to the holders of the Preference Shares the sum of 10 pence for each of the Preference Shares held by them respectively together with a sum equal to any arrears, deficiency or accruals of the Fixed Dividend on the Preference Shares to be calculated down to the date of the return of capital and to be payable irrespective of whether such dividend has been declared or earned or not, and irrespective of whether or not the Audited Accounts of the Company

have been laid before the Company in General Meeting;

- (2) In the second place and subject thereto, the balance of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid up or credited as paid up on the Ordinary Shares held by them respectively.

(C) **As regards voting:**

- (1) At any general meeting of the Company, every holder of Ordinary Shares who is present in person or by proxy (or in the case of a corporation by representative) shall have one vote on a show of hands and on a poll every such holder shall have one vote for every 10 pence in nominal amount of Ordinary Shares in the capital of the Company of which he is the holder.
- (2) The holders of the Preference Shares shall in respect of such shares have the right to receive notice of or to be present in person or by proxy at meetings of the Company; Provided that the holders of the Preference Shares shall not in respect of those shares be entitled to vote at General Meetings of the Company unless at the date of the notice or requisition to convene the meeting any dividend on the Preference Shares is three months in arrear and so that for this purpose:-
 - (i) the Fixed Dividend shall be deemed to be payable half-yearly on 30th June and 31st December in every year; and
 - (ii) on a poll the holders of Preference Shares

present in person or by proxy or (being a corporation) present by a representative shall have ten votes for every 10 pence in nominal amount of Preference Shares of which he is the holder.

CLASS RIGHTS

3. (A) Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of that class but not otherwise. To every such separate meeting all the provisions of these Articles relating to General Meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one half in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum), and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.
- (B) Without prejudice to the generality of Article 3(A), the special rights attached to the Preference Shares shall be deemed to be varied:-
 - (i) by any alteration or increase or reduction of the authorised or issued capital of the Company or of any

- of its subsidiaries, or by any variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or
- (ii) by the disposal of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof; or
 - (iii) by the acquisition by the Company of any share in any other company or corporation other than the acquisition of a wholly owned subsidiary; or
 - (iv) by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company; or
 - (v) by the calling of a meeting of the Company for the purpose of considering a resolution for the winding up of the Company; or
 - (vi) by the calling of a meeting of the Company to approve the purchase or redemption by the Company of any of the Ordinary Shares; or
 - (vii) by the calling of a meeting of the Company for the purpose of considering a resolution for amending the memorandum or articles of association of the Company; or
 - (viii) by any change in the accounting reference date of the Company.

ISSUE OF SHARES

- 4. (A) Subject to the Act, the issue of shares of the Company shall be under the control of the Directors, who may, subject as aforesaid, offer, allot, grant options over or otherwise dispose of the same with such rights and on such terms as the Company

may from time to time by Ordinary Resolution determine.

- (B) The Company may by Special Resolution purchase its own shares, or reduce its capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by law.
5. (A) Without prejudice to any special rights previously conferred on the holder of any shares or class of shares for the time being issued (which special rights may be varied or abrogated subject to and only in the manner provided for by Article 3(A) hereof), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time determine and subject to the provisions of the Act the Company may issue shares (whether or not preference shares) which are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.
- (B) Subject to the provisions of the Act, the Company may make payments in respect of the redemption or purchase of any of its own shares whether out of distributable profits of the Company or the proceeds of a fresh issue of shares, or otherwise.
- 6 The Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) 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 regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. The Company shall however be entitled to register trustees as such in

respect of any shares.

THE SEAL

- 7 In Regulation 1 of Table A the words "the common seal of the Company" shall be omitted and the words "any seal for the time being adopted by the Company as its common seal" shall be inserted after the words ""the Seal" means".
- 8 In Regulation 6 of Table A the words "or subscribed in accordance with Section 36B of the Act" shall be inserted after the words "sealed with the Seal".

LIEN

- 9 In Regulation 8 of Table A the words "(not being a fully paid share)" shall be omitted and the words "and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company" shall be inserted after the words "in respect of that share".

CALLS ON SHARES

10. Regulation 12 of Table A the words "save in the case of a call deemed to have been made in terms of Regulation 16 which call shall be irrevocable." shall be inserted after the words "postponed in whole or in part".

FORFEITURE OF SHARES

11. Regulation 15 of Table A the words "and all expenses that may have been incurred by the Company by reason of such non-payment" shall be inserted after the word "Act)" and after the words "payment of the interest".
12. In Regulation 18 of Table A the words "and expenses that may have been incurred by the Company by reason of such non-payment" shall

be inserted after the words "may have accrued".

TRANSFER OF SHARES

13. (1) For the purposes of these presents the renunciation or negotiation of any temporary document of title to any share shall constitute a transfer.
- (2) Every instrument of transfer of a share (other than a fully paid share) must be executed on behalf of the transferee.
- (3) No share in the Company shall be transferred otherwise than in accordance with the provisions of this Article 13.
- (4) In this Article 'fair value' in relation to shares shall mean the price certified in writing by the Auditors of the Company for the time being (or in the event of their being unwilling or unable so to certify, an independent firm of Chartered Accountants nominated by the Directors) as being in their opinion the fair value of such shares as between a willing seller and a willing buyer at the date of the certificate provided that the Auditors, or as the case may require, the independent firm of Chartered Accountants, acting as experts and not as arbiters, shall in determining the fair value of any shares:-
 - (a) determine the sum which a willing purchaser would offer to a willing seller for the whole of the issued share capital of the Company and determine the sum which in such circumstances a willing purchaser would offer to a willing seller for the whole of the issued shares of the class in question;
 - (b) divide the resultant figure by the number of shares of that class in issue; and
 - (c) make such adjustment as they consider necessary to allow for any rights which may be outstanding and in

particular those whereunder any person, firm or body corporate may call for the issue of further shares;

so that there shall be no addition or subtraction of any premium or discount arising in relation to the size of the holding the subject of a Transfer Notice (as hereinafter defined), or in relation to any restrictions on the transferability of shares and provided further that the Auditors or as the case may be the Independent Accountants shall take into account in determining the fair value any *bona fide* offer from any third party to purchase any holdings the subject of a Transfer Notice. Section 3(1) of the Administration of Justice (Scotland) Act 1972 shall not apply in relation to the determination of the fair value pursuant to this Article 13.

- (5) On any occasion on which the fair value of shares falls to be determined in accordance with this Article, the Directors shall request the Auditors of the Company or, as the case may require, an independent firm of Chartered Accountants, to certify the fair value of those shares as aforesaid and as soon as they receive the certificate they shall deliver a certified copy thereof to the Proposing Transferor (as hereinafter defined). Within seven days of the receipt of the said certified copy, the Proposing Transferor shall (subject to paragraph (9) of this Article 13) be entitled, by notice in writing given to the Directors, to cancel the Transfer Notice and *ipso facto* the authority conferred upon the Directors by paragraph (7) of this Article 13. The cost of obtaining the certificate shall be borne by the Company unless the Proposing Transferor shall give notice of cancellation as aforesaid in which case he shall bear the said cost.

- (6) In this Article 'the Directors' shall mean the Board of Directors of the Company for the time being acting in that capacity.
- (7) Any member wishing to transfer any share(s) (in this Article 13 called a 'Proposing Transferor') shall give the Directors notice in writing (a 'Transfer Notice') of such desire stating the number of shares which he wishes to transfer (the 'Offered Shares') and shall at the same time deposit with the Directors the share certificate(s) in respect of the Offered Shares. Such notice (which, save as provided in this Article 13 shall be irrevocable) shall constitute the Directors as the agents of the Proposing Transferor for the sale of the Offered Shares in accordance with but subject to the provisions of this Article 13. No Transfer Notice shall relate to more than one class of share.
- (8) The following provisions shall apply to every Transfer Notice:-
 - (a) The price at which the Offered Shares are to be sold shall be fixed by agreement between the Directors and the Proposing Transferor or failing such agreement within fifteen days of the Transfer Notice having been given, at the fair value.
 - (b) Upon the price being fixed as aforesaid or (as the case so requires) on the expiry of the seven day period mentioned in paragraph (5) of this Article 13 without the Proposing Transferor having given notice of cancellation in accordance with that paragraph, the Directors shall forthwith by notice in writing inform every member of the Company who holds Preference Shares (other than the Proposing Transferor in the event that the Offered Shares are Preference Shares) of the number, class and price of the Offered Shares and

invite each member entitled to receive such notice to apply in writing to the Directors within thirty days of the date of the notice having been given for such maximum number of the Offered Shares (being all or any thereof) as he shall specify in such application.

- (c) If the members entitled to receive notice in accordance with paragraph (b) above apply for all the Offered Shares the Directors shall allocate them to and amongst the applicants but in case of competition *pro rata* (as nearly as possible) according to the number of Preference Shares held by them provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid; and the Directors shall forthwith give notice in writing of such allocations to the Proposing Transferor and to the applicants.

- (d) If the members do not apply for all the Offered Shares:-

- (i) if the Transfer Notice contains such stipulation as is referred to in sub-paragraph (f) of this paragraph then the Directors shall return the share certificate(s) in respect of the Offered Shares to the Proposing Transferor and advise accordingly the Proposing Transferor and the members who have made application for the Offered Shares; and
- (ii) if the Transfer Notice contains no such stipulation the Directors shall subject to Article 13(12) hereof allocate to and amongst

the applicants for the Offered Shares the number of the Offered Shares applied for by them respectively, and the Directors shall forthwith give notice in writing of such allocations to the Proposing Transferor and to the applicants.

- (e) If any shares comprised in a Transfer Notice which has not been cancelled in accordance with paragraph (5) of this Article 13 do not fall to be allocated in accordance with sub-paragraphs (c) and (d)(ii) of this paragraph such shares may within three months of the expiration of the period of thirty days referred to in sub-paragraph (b) of this paragraph, be transferred by the Proposing Transferor subject to paragraph (12) of this Article 13 provided that:-

- (i) the price per share payable in respect of such transfer shall be not less than the price per share fixed in accordance with sub-paragraph (a) of this paragraph (8);
- (ii) if the Transfer Notice contained such stipulation as is referred to in sub-paragraph (f) of this paragraph the Proposing Transferor shall only be entitled to transfer under this sub-paragraph the exact number of shares comprised in the Transfer Notice and that by one transfer.

- (f) A Transfer Notice may stipulate that unless all the Offered Shares are applied for pursuant to sub-paragraph (b) of this paragraph (8), none shall be sold.

- (g) Any application for shares made by a member to the Directors pursuant to this paragraph (8) shall constitute an irrevocable obligation to purchase all or any of the shares specified in such application at the price per share stated in the invitation by the Directors to submit such application.
 - (h) Completion of any transfer of shares of the Company to be effected in terms of this paragraph (8) shall take place at the registered office of the Company or such other place as may be agreed between the parties thereto, and that no later than fifteen days after the giving of notice of allocation by the Directors pursuant to sub-paragraphs (c) or (d)(ii) of this paragraph (8).
- (9) (a) If any member holding Ordinary Shares and being a director of the Company (being an individual) shall cease to be a Director of the Company or if any member (being an individual) shall become bankrupt or execute a Trust Deed for behoof of creditors or enter into any composition or arrangement with creditors, or (being a company) shall have a receiver appointed of all or part of its property or undertaking or shall go into liquidation (whether compulsory or voluntary, other than a voluntary liquidation for the purpose of a reconstruction or amalgamation which has previously been approved in writing by all the other members) that member shall forthwith give notice of the happening of such event to the Directors and shall at the same time deposit with the Directors the share certificate(s) in respect of the shares in the Company

then held by that member. He shall be deemed to have given a Transfer Notice or Notices in respect of those shares to the Directors on the date on which such notice is given or (if earlier) on the date on which the happening of such event becomes known to the Directors provided that:-

- (i) the Transfer Notice deemed to have been given as aforesaid shall be deemed to contain such a stipulation as is referred to in subparagraph (8)(f) of this Article 13; and
- (ii) the member deemed to have given the Transfer Notice shall not be entitled to give notice of cancellation under the provisions of paragraph (5) of this Article 13.

(b) If any member shall die, then that member's personal representatives shall be deemed to have given a Transfer Notice(s) in respect of the shares held by the member as aforesaid provided that:-

- (i) the Transfer Notice(s) deemed to have been given as aforesaid shall be deemed to contain such a stipulation as is referred to in subparagraph (8)(f) of this Article 13; and
- (ii) the personal representatives deemed to have given the Transfer Notice(s) shall not be entitled to give notice of cancellation under the provisions of paragraph (5) of this Article 13.

Subject thereto any member (or personal representative) required to give notice as aforesaid in

accordance with this Article 13(9) shall accordingly be deemed a Proposing Transferor and the shares held by him (or on his behalf) shall accordingly be Offered Shares.

- (10) If the Proposing Transferor makes default in transferring any shares which he has become obliged to sell under any provision of this Article 13 the Company may receive the purchase money in trust for the Proposing Transferor who shall be deemed to have appointed the Secretary of the Company to execute a transfer of such shares in favour of the applicant. The receipt of the Company for such purchase money shall be a good discharge to the applicant and after his name has been entered on the register in respect of such shares the validity of the proceedings shall not be questioned by any person.

- (11) Any transfer may be made with the prior written consent of all persons holding Preference Shares and paragraph (7) shall not apply to such a transfer.

- (12) No transfer of shares shall be registered unless it be first approved by the Directors provided that the Directors shall be bound to approve for registration any transfer made in accordance with the foregoing provisions of this Article 13.

GENERAL MEETINGS

14. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy or, if corporations, by representatives duly

authorised shall be a quorum.

15. If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to such day and at such time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.
16. Subject to the provisions of the Act, a resolution in writing signed by all the members of the Company who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed, or by their duly appointed attorneys or representatives, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporate body which is a member shall be sufficient if made by a director or the secretary thereof or by its duly appointed attorneys or representatives.
17. A poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy or, if a corporation, by any representative duly authorised and entitled to vote. Regulation 46 of Table A shall be construed accordingly.
18. No resolution not previously approved by the Directors shall be moved by any member other than a Director at a general meeting unless the member intending to move the same shall have left a copy thereof with his name and address at the Registered Office of the Company three clear days prior to such meeting.
19. A notice of every general meeting shall be given to every member

whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices and Regulation 112 of Table A shall be construed accordingly.

DIRECTORS

20. Unless and until otherwise determined by ordinary resolution of the Company, the minimum number of Directors shall be one and there shall be no maximum number. A sole director shall have all the power and authority vested in "the Directors" in terms of these Articles of Association.
21. A Director shall not be required to hold shares of the Company in order to qualify for office as a Director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or of any class of members of the Company.
22. A Director who is in any way whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 317 of the Act. Subject to such disclosure as aforesaid a Director may vote in respect of any contract or proposed contract or arrangement in which he is interested and if he does so vote his vote shall be counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed contract or arrangement shall come before the Directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom. For the purposes of this Article:-
 - (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be

deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
23. The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors. Regulation 100 of Table A shall be modified accordingly.
24. The office of a Director shall be vacated:-
- (a) if he becomes bankrupt or suspends payment of or compounds with his creditors;
 - (b) if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise *incapax*;
 - (c) if (not being a Director holding executive office as such for a fixed term) by notice in writing to the Company he resigns his office;
 - (d) if he is prohibited by law from being a Director or ceases to be a Director by virtue of the Act or any statutory modification or re-enactment thereof;
 - (e) if he is removed from office by notice in writing signed by all his Co-Directors and served upon him;
 - (f) if he shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated.
25. The Directors shall have power at any time, and from time to time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors.
26. The ordinary remuneration of the Directors shall from time to time be

determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for such proportion of remuneration as relates to the period during which he has held office. The Directors may repay to any Director all such reasonable expenses as he may properly incur in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings of the Company or any class of members of the Company or otherwise in or about the business of the Company. In the event of any Director necessarily performing or rendering any special duties or services to the Company outside his ordinary duties as a Director the Directors may, if so authorised by an ordinary resolution of the Company, pay such Director special remuneration and such special remuneration may be by way of salary, commission, participation in profits or otherwise as may be arranged.

27. The Directors may from time to time appoint one or more of their number to an executive office (including that of Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried office) for such period and on such terms and conditions as they shall think fit, and subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any Director as aforesaid shall be *ipso facto* determined if he ceases from any cause to be a Director. Regulation 72 of Table A shall extend to the posts of Deputy or Assistant Managing Director or Manager aforesaid.
28. A Managing Director, Deputy or Assistant Managing Director,

Manager or other executive officer as aforesaid shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever, whether similar to the foregoing or not) as the Directors may determine.

29. The Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in Section 736 of the Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, wives, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of

any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company and without the approval of any resolution of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such Director or ex-Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.

30. The Directors on behalf of the Company and without the approval of any resolution of the Company (but subject to the provisions of Sections 151 to 158 of the Act) may establish and contribute to any employees' share scheme (within the meaning of Section 743 of the Act) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for shares of the Company or of a holding company of the Company; and may establish and maintain any option or incentive scheme whereby selected employees (including salaried Directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company; and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried Directors and officers) or any of them. Any Director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.

31. The Directors shall not be subject to retirement by rotation and

accordingly all references in Table A to retirement by rotation shall be disregarded.

32. A resolution in writing signed by all the Directors for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

BORROWING AND OTHER POWERS

33. The Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

ALTERNATE DIRECTORS

34. (A) Any Director may at any time by writing under his hand and deposited at the Registered Office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment. If such alternate Director is not another Director, such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- (B) The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director (retirement at any general meeting at which the

Director is re-elected being for such purpose disregarded).

- (C) An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). An alternate Director shall not (save as aforesaid) have power to act as a Director or be deemed to be a Director for the purposes of these Articles.
- (D) An alternate Director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any remuneration except only 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.

INDEMNITY

35. Every Director or officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution or

discharge of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which the charge is found not proven or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to be incurred by the Company in the execution or discharge of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.