

**THE COMPANIES ACT 1985**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM**  
**&**  
**ARTICLES OF ASSOCIATION**  
**OF**  
***WESTERN SELECTION P.L.C.***

INCORPORATED THE 16TH DAY OF NOVEMBER 1928

**THE COMPANIES ACTS, 1908 to 1917**

**and**

**THE COMPANIES ACTS 1948 to 1981**

**COMPANY LIMITED BY SHARES**

***MEMORANDUM OF ASSOCIATION***

(As amended by Directors' Resolution passed on 5th November 1981)

**OF**

***WESTERN SELECTION P.L.C.***

1. The name of the Company is "**GOLD COAST SELECTION TRUST LIMITED**".\*
2. The Company is to be a public company.
3. The Registered Office of the Company will be situate in England and Wales.

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(i) By Special Resolution duly passed on 6th May 1954 and with the consent of the Board of Trade registered on 17th May, 1954, the name of the Company was changed to "WESTERN SELECTION AND DEVELOPMENT COMPANY LIMITED".

(ii) By Directors' Resolution passed on 5th November 1981, the name of the Company was changed to "WESTERN SELECTION AND DEVELOPMENT P.L.C.".

(iii) By Special Resolution duly passed on 31st March 1982 and with the consent of the Secretary of State the name of the Company was changed to "WESTERN SELECTION P.L.C.".

4. The objects for which the Company is established are:-
- (A) To carry on and execute all kinds of financial, commercial trading, and other operations and to carry on any other business which may seem to be capable of being conveniently carried on in connection with any of these objects, or calculated directly or indirectly, to enhance the value of, or facilitate the realisation of, or render profitable any of the Company's property or rights.
  - (B) To seek for and secure openings for the employment of capital in any part of the world and with a view thereto to inquire, examine, explore, prospect and test, and to despatch and employ commissioners, experts and other agents.
  - (C) To purchase or otherwise acquire and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of, and deal with property and rights of all kinds, and in particular, mortgages, debentures, produce, concessions, options, contracts, patents, licences, stocks, shares, bonds, policies, book debts, business concerns and undertakings and claims, privileges, and choses in actions of all kinds.
  - (D) To subscribe for, conditionally or unconditionally, to underwrite the subscription of, issue on commission, or otherwise, take, hold, deal in, and convert stocks, shares, and securities of all kinds, and to enter into partnership, or into any arrangement for sharing profits, union of interest, reciprocal concession or co-operation with any person, partnership or company, and to promote and aid in promoting, constitute, form or organise companies, syndicates or partnerships of all kinds, for the purpose of acquiring and undertaking any property and liabilities of this Company, or of advancing, directly or indirectly, the objects thereof, or for any other purpose which this Company may think expedient.
  - (E) To guarantee or become liable for the payment of money or for the performance of any obligations, and generally to transact all kinds of guarantee business; also to transact all kinds of trust and agency business.
  - (F) To prospect for, dredge for, open, work, explore, quarry, develop, excavate, win and maintain gold, silver, copper, coal, iron, precious stones, and other minerals or deposits, oil, mineral and other rights, properties and works, and to carry on and conduct the business of raising, crushing, washing, smelting, reducing and amalgamating ores, metals and minerals, and oils, to render the

same saleable and fit for use, and to buy, sell, refine and deal in bullion, specie, coin, precious metals and precious stones, oil and other substances or products on, within, or under any property of the Company, and to grant prospecting, mining and other licences, rights or privileges for such purposes.

- (G) To buy, sell, import, export, manipulate, prepare for market and deal in merchandise of all kinds, and generally to carry on business as merchants, importers and contractors.
- (H) To carry on business as mine owners, colliery proprietors, coke manufacturers, landowners, contractors, timber merchants, engineers, farmers, graziers, horse and cattle dealers, coach proprietors, ship owners, ship brokers, wharfingers, insurance agents, importers and exporters, warehousemen, carriers, storekeepers, printers, newspaper proprietors, hotel keepers, or general merchants or agents, and to buy, sell and deal in property of all kinds, and to carry on any other business, manufacturing or otherwise, which the Company may think calculated either directly or indirectly to advance its interests.
- (I) To carry out, establish, construct, maintain, improve, manage, work, control and superintend any roads, ways, tramways, railways, pipe lines, bridges, harbours, reservoirs, watercourses, wharves, embankments, fortifications, hydraulic works, telegraphs, telephones, sawmills, smelting works, furnaces, factories, warehouses, hotels, viaducts, exchanges, mints, transport and postal arrangements, stores, shops, churches, chapels, stations, and other works and conveniences, and to contribute to, or assist in the carrying out, establishment, construction, maintenance, improvement, management, working control or superintendence of the same.
- (J) To acquire, test, use, work, sell, or grant licences in respect of any patents, patent rights, brevets d'invention, secret processes or licences.
- (K) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and, as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm, or company.
- (L) To pay for any concessions, mines, businesses, properties, rights, privileges, or debentures, debenture stock, shares, or securities of

any other company acquired or agreed to be acquired by the Company, and generally to satisfy any payment by or obligation of the Company by the issue of shares or debentures or debenture stock, income bonds, or other securities of this or any other company credited as fully or partly paid up.

- (M) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (N) To lend and advance money or give credit to such persons and on such terms as may seem expedient, and to give guarantees or become security for any such persons.
- (O) To borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, or of income bonds, and to secure the repayment of any money borrowed, raised, or owing by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital.
- (P) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferrable instruments.
- (Q) To procure the Company to be registered, legalised, or recognised in any British Dominion or Dependency or in any foreign country or place beyond the seas, and to enter into any arrangements with any Governments or authorities (supreme, municipal, local or otherwise), or any corporations, companies, or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such Government, authority, corporation, company or person any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable, and to carry out, exercise and comply with the same.
- (R) To act as secretaries, managers, agents, brokers, or trustees for any Government, person, firm or company, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- (S) To pay the cost, charges and expenses preliminary and incidental to the formation, promotion and registration of the Company, and subject to the provisions of the Companies (Consolidation) Act

1908 to remunerate by commission, brokerage or otherwise, any person or company for services rendered or to be rendered in relation to the formation and establishment of the Company or the conduct of its business, or placing or assisting to place or guaranteeing the placing of any shares in or debentures or other securities of the Company.

- (T) To support and subscribe to any charitable or public object, and any institution, society, or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business; to give pensions, gratuities, or charitable aid to any person or persons who may have served the Company, or to the wives, children, or other relatives of such persons; to make payments towards insurance, and to form and contribute to provident and benefit funds for the benefit of any persons employed by the Company.
- (U) To sell, lease or otherwise dispose of the whole or any part of the undertaking of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company, either fully or partly paid up.
- (V) To vest any real or personal estate, rights or interests, acquired by or on behalf of the Company, or in which the Company may have an interest, in any person or persons, company or companies, on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
- (W) To distribute among the Members of the Company in kind any property of the Company.
- (X) To do all or any of the above things, and to do all such other things as are incidental or conducive to the attainment of the above objects in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

And it is hereby declared that the intention is that the objects specified in each of the paragraphs in this Clause 4 shall, unless otherwise therein provided, be regarded as independent objects, and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company and that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of

persons, whether corporate or incorporate, and whether incorporated or domiciled in the United Kingdom or in any other part of the world.

5. The liability of the Members is limited.
6. The share capital of the Company is £70,000\*\* , divided into 50,000 Ordinary Shares of £1.00 each and 400,000 Deferred Shares of 5p each and there be attached to the said Ordinary and Deferred Shares the rights, privileges and conditions in that behalf specified in the accompanying Articles of Association. The Company has power from time to time to divide, consolidate, increase or reduce its capital or shares (original or increased), and to issue any shares in the original or increased capital with preferred, deferred, or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise, as the Company may from time to time in accordance with the Company's regulations determine.

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\*\* MEMORANDUM:- By virtue of Special Resolutions duly passed on 23rd July 1958, 16th June 1961, 12th February 1987 and 24th January 1992, by virtue of the registration of a minute approved by the Court on 24th July 1961, by virtue of Ordinary Resolutions duly passed on 19th December 1932, 16th July 1935, 15th January 1952, 16th June 1961, 8th June 1964, 20th February 1976 and 31st March 1982; by virtue of an order of the Court dated 2nd March 1992 and by Ordinary Resolutions duly passed on 2nd February 1995, 15th January 1996, 2nd October 2003, 27th June 2005 and 9th August 2007 the capital of the Company was altered to £12,000,000.00 divided into 30,000,000 shares of 40p each. The reference to Deferred Shares is now obsolete.

WE, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

<b>Names, Addresses and Description of Subscribers</b>	<b>Number of Ordinary Shares taken by each Subscriber</b>
Robert Walters 1 Curzon Street, W1 (Solicitors' Clerk)	One
John William Price 16 Bristow Street, N1 (Clerk)	One
Trevor Brown Hill Cottage, Daws Heath Road Thundersley, Essex (Clerk)	One
William Round Derrett 31 Haroldstone Road, E17 (Clerk)	One
Marjorie Walker 30 Comeragh Road, W14 (Spinster)	One
G.E.A. Waller "Oakleigh", Whitechurch Gardens, Edgware, Middlesex (Solicitors Clerk)	One
John Bannister 59 Chalsey Road, Brockley SE4 (Solicitors Articled Clerk)	One

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Dated the 12th day of November 1928

Witness to the signatures of all the above-named:- E. Stephens  
Rylston, 46 Geoffrey Road,  
Brockley, SE4  
(Law Clerk)

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to the

**ARTICLES OF ASSOCIATION**

of

**WESTERN SELECTION P.L.C.**

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**PROPOSED**  
**NEW**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**WESTERN SELECTION P.L.C.**

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**PART 1**  
**PRELIMINARY**

1. In these Articles unless there be something in the subject or context inconsistent therewith:-

"The Act"	means the Companies Act 1985.
"The Statutes"	means the Act and every other statute and every statutory instrument for the time being in force concerning companies and affecting the Company.
"These Articles"	means these Articles of Association or the other articles of association of the Company from time to time in force.
"The Directors"	means the Directors of the Company for the time being.
"The Office"	means the registered office for the time being of the Company.
"The Register"	means the register of members to be kept pursuant to Section 352 of the Act.
"Month"	means calendar month.
"Dividend"	includes bonus.

"Paid up"	includes credited as paid up.
"Secretary"	includes an assistant or deputy secretary, and any person appointed by the Directors to perform the duties of the Secretary.
"Subsidiary"	shall have the meaning attributed to it by Section 736 of the Act (as substituted by Section 144 of the Companies Act 1989).
"In writing" and "written"	include printing, lithography, and other modes of representing and reproducing words in a visible form.
"The Group"	means the Company and all its subsidiaries.

Words importing the singular number only include the plural number and vice versa.

Words importing the masculine gender only include the feminine gender.

Words importing persons include corporations.

Reference to any section or provision of the Statutes, if not inconsistent with the subject or context, includes any corresponding or substituted section or provision amending, consolidating or replacing the Statutes.

Save as aforesaid, words and expressions defined in the Statutes have, if not inconsistent with the subject or context, the same meanings in these Articles.

2. None of the regulations contained in Table "A" in the Schedule to the Companies (Tables A-F) Regulations 1985 shall apply to the Company except so far as embodied in any of the following Articles, which shall be the regulations for the management of the Company.
3. (A) Where a person is acquiring or is proposing to acquire any shares in the Company, the Company shall not give and the Directors shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (if any) so as to secure (as regards such Subsidiaries so far as by such exercise they can secure) that such Subsidiaries shall not give financial assistance directly or indirectly for the purpose of that acquisition before or at the same time as the acquisition takes place, otherwise than in accordance with Sections 151-155 (inclusive) of the Act.

- (B) Where a person has acquired any shares in the Company and any liability has been incurred (by that or any other person) for the purpose of that acquisition, the Company shall not give and the Directors shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (if any) so as to secure (as regards such Subsidiaries so far as by such exercise they can secure) that such Subsidiaries shall not give any financial assistance directly or indirectly for the purpose of reducing or discharging the liability so incurred, otherwise than in accordance with the provisions of Sections 151-155 (inclusive) of the Act.
4. If the Company shall offer any of its shares to the public for subscription, the Directors shall comply with the requirements of the Statutes if and so far as applicable.
5. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company, at a rate not exceeding the rate of 10 per cent. of the price at which the shares are issued, and such commission may be satisfied in shares of the Company partly or fully paid up, provided that no commission shall be paid in shares without the sanction of the Company in General Meeting first having been obtained. The Company may also on any issue of shares pay such brokerage as may be lawful.

## **PART II**

### **DISTRIBUTION OF THE CAPITAL OF THE COMPANY - SHARES**

6. The capital of the Company at the date of the adoption of these Articles is £2,496,375.50 divided into 24,963,755 shares of 10p each.
7. Subject to the provisions of these Articles and of the Statutes, the Directors shall have unconditional authority to allot, grant options over (including the issue of share warrants in respect of), offer or otherwise deal with or dispose of any shares (including unissued shares) of the Company to such persons and for such consideration upon such terms and conditions, and at such times, as the Directors think fit. Shares may be issued at par or at a premium, but no shares shall be issued at a discount.
8. As regards all allotments from time to time made, the Directors shall duly comply with Section 88 of the Act.

9. The Directors may at any time after the allotment of any share, but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.
10. The Directors may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of Calls to be paid and the time of payment of such Calls.
11. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share.
12. The joint holders of a share shall be severally as well as jointly liable for payment of all instalments and Calls in respect of such share, and any one of such persons may give effectual receipts for any return of capital payable in respect of such share.
13. Save as herein otherwise provided or as by the Statutes otherwise required the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not except as ordered by a Court of competent jurisdiction or by law required be bound to recognise any equitable, contingent, future, partial or other claim to or interest in any share on the part of any other person.

## **CERTIFICATES**

14. The certificates of title to shares shall be issued under the Common Seal of the Company.
15. Every Member (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to one certificate for all the shares registered in his name, or in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares so registered and where a Member transfers part of the shares of any class registered in his name he shall be entitled without payment to one certificate for the balance of shares retained by him and registered in his name. Every such certificate of shares shall specify the number and class and the denoting numbers (if any) of the shares in respect of which it is issued and the amount paid up thereon. Every certificate for shares, debenture stock or other security (other than Letters

of Allotment or Stock Certificates) shall be issued under the Common Seal of the Company in accordance with Article 154 or an official seal kept by virtue of Section 40 of the Act. The Directors shall duly comply with the provisions of Section 185 of the Act as to the time for delivery of certificates. If any Member shall require additional certificates he shall pay for each additional certificate such sum (if any) not exceeding 5p as the Directors shall determine.

16. If any certificate be worn out or defaced then upon delivery thereof to the Directors they may order the same to be cancelled, and may issue without fee a new certificate in lieu thereof, and if any certificate be lost or destroyed and a new certificate in lieu thereof is requested, then, upon proof thereof to the satisfaction of the Directors and on such indemnity with or without security as the Directors deem adequate being given, a new certificate in lieu thereof shall be given without fee to the party entitled to such lost or destroyed certificate.
17. For every certificate issued under the last preceding Article, there shall be paid to the Company the costs of the said indemnity and security.
18. The certificates of shares registered in the names of two or more persons shall be delivered to the person first named on the Register in respect of such shares.

### **CALLS ON SHARES**

19. The Directors may from time to time make such Calls as they think fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of the allotment thereof made payable at fixed times, provided that fourteen days' notice at least be given of each Call and that no Call shall exceed one-fourth of the nominal amount of a share or be made payable within one month after the last preceding Call was payable, and each Member shall pay the amount of each Call so made on him to the person and at the time and place or places appointed by the Directors. A person upon whom a Call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of shares in respect of which the Call was made.
20. A Call may be made payable by instalments, a date fixed for payment may be postponed and a Call may be wholly or in part revoked.
21. A Call shall be deemed to have been made at the time when the resolution of the Directors authorising such Call was passed.
22. If by the terms of any prospectus or by the conditions of issue any amount is payable in respect of any shares by instalments, every such instalment

shall be payable as if it were a Call duly made by the Directors of which due notice had been given. The Directors may on the issue of shares differentiate between the holders as to the amount of Calls to be paid and the times of payment.

23. If the sum payable in respect of any Call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the Call shall have been made, or the instalment shall be due, shall pay interest for the same at such rate (not exceeding 10 per cent. per annum) as the Directors shall from time to time determine, from the time appointed for payment thereof until the actual payment thereof, and shall not receive any dividend in respect of the amount unpaid.
24. The Directors, may, if they think fit, receive from any Member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up; and upon the money paid in advance, or so much thereof as from time to time exceeds the amount of the Calls then made upon the shares in respect of which such advance shall have been made, the Company may pay interest at such rate (not exceeding, without the sanction of the Company given by Ordinary Resolution, 10 per cent. per annum) as the Member paying such sum in advance and the Directors agree upon.

#### **FORFEITURE AND LIEN**

25. If any Member fails to pay any Call or instalment on or before the date appointed for the payment of the same, the Directors may at any time thereafter during such time as the Call or instalment or any part thereof remains unpaid, serve a notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses incurred by the Company by reason of such non-payment.
26. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place on and at which such Call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the Call was made or instalment is payable will be liable to be forfeited.
27. If the requirements of any such notice as aforesaid be not complied with, any shares in respect of which such notice shall have been given may at any time thereafter, and before payment of all Calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the

forfeiture. The Directors may accept a surrender of any share liable to forfeiture hereunder.

28. Any share so forfeited or surrendered shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit, and either with or without any past or accruing dividends, and in the case of re-allotment, with or without any money paid thereon by the former holder being credited as paid up thereon.
29. The Directors may at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture upon such conditions as they think fit.
30. Any Member whose shares have been forfeited or surrendered shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all Calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon, from the time of forfeiture or surrender until payment, at the rate of 10 per cent. per annum and the Directors may enforce payment thereof if they think fit without any allowance for the value of such shares at the time of forfeiture or surrender.
31. The Company shall have a first and paramount lien upon all the shares, other than fully paid-up shares, registered in the name of each Member (whether solely or jointly with other persons) for his debts, liabilities and engagements, solely or jointly with any other person to or with the Company in respect of such shares, whether the period for payment, fulfilment, or discharge thereof shall have actually arrived or not. And such lien shall apply to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.
32. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto, in such manner as they think fit, but no such sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his executors or administrators, and default shall have been made by him or them in the payment, fulfilment or discharge of such debts, liabilities or engagements for seven days after such notice.
33. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be

paid to the Member or the person (if any) entitled by transmission to the shares.

34. 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 the date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share. Upon any sale or re-allotment after forfeiture or upon any sale for enforcing any lien in purported exercise of the powers hereinbefore given, the Directors may in the case of a sale nominate some person to execute a transfer of the shares sold in the name and on behalf of the registered holder or his executors or administrators and may in any case cause the name of the purchaser or allottee to be entered in the Register in respect of the shares sold or re-allotted and the purchaser or allottee shall not be bound to see to the regularity of the proceedings or to the application of the purchase or subscription money, and after his name has been entered in the Register in respect of such shares the validity of the sale or forfeiture shall not be impeached by any person and the remedy of any person aggrieved by the sale or forfeiture shall be in damages only and against the Company exclusively.

#### **UNTRACED MEMBERS**

35. The Company shall be entitled to sell at the best price reasonably obtainable any share registered in the name of a Member and as the agent of such Member provided that the following conditions are satisfied:-
- (A) for a period of 12 years no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the Member or the person entitled by transmission to the share at his address on the Register or other last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission and at least three cash dividends (whether interim or final) in respect of the shares in question have become payable and no dividend (whether interim or final) in respect of those shares has been claimed;
- (B) the Company has at the expiration of the period of 12 years aforesaid and whether before or after the adoption of this Article by advertisement in a leading London newspaper and in a leading newspaper published in the capital city (other than London) of the country in which the address referred to in paragraph (A) of this Article is located given notice of its intention to sell such share;

- (C) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person entitled by transmission; and
- (D) notice in writing has been given to the London Stock Exchange of its intention to sell such share.

For the purpose of transferring any share sold by the Company as aforesaid such Member or person entitled by transmission shall be deemed to have appointed any one Director or the Secretary to execute on his behalf a transfer of the share to the purchaser thereof. The receipt of the Company for the purchase money shall be a good discharge to the purchaser and after his name has been entered in the Register of Members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

The Company shall account to the Member or other person entitled by transmission for the net proceeds of sale and shall be deemed to be his debtor and not a trustee for him in respect of the same. Any moneys not accounted for to the Member or other person entitled by transmission shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

### **TRANSFER OF SHARES**

- 36. (A) The instrument of transfer of any share in the Company shall be in the usual common form or in such other form as shall be approved by the Directors, and shall be signed by or on behalf of the transferor (and in the case of a transfer of a partly paid share by the transferee) and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof, and when registered the instrument of transfer shall be retained by the Company.
- (B) Nothing in these Articles shall prevent title to any securities of the Company from being evidenced and transferred without a written instrument in accordance with the provisions of the Statutes and the Directors shall have the power to implement such procedures as they may think fit and as may accord with such legislation for recording and transferring title to such securities and for the regulation of those procedures and the persons responsible for or

involved in their operation.

37. The Directors may decline to register any transfer of shares upon which the Company has a lien, and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. The Directors may also decline to register any transfer unless the same is in respect of only one class of share. In the event of the Directors so declining or refusing in any case they shall duly comply with Section 183 of the Act.
38. Every instrument of transfer must be left at the Office or at such other place as the Directors may from time to time determine, to be registered, accompanied by the certificate of the shares comprised therein, and such evidence as the Directors may reasonably require to prove the title of the transferor, and the due execution by him of the transfer and thereupon the Directors, subject to the power vested in them by the last preceding Article, shall register the transferee as a Shareholder.
39. No fee shall be payable for registering any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, or other document relating to or affecting the title to any shares or the right to transfer the same.
40. The transfer books and the Register and any register of holders of debentures of the company may be closed at such time or times as the Directors shall deem expedient so that the same be not closed for any greater period in the whole than thirty days in the year.

### **TRANSMISSION OF SHARES**

41. The executors or administrators of a deceased Member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to shares held by him alone; but in the case of shares held by more than one person, the survivor or survivors only shall be recognised by the Company as being entitled to such shares; but nothing in these Articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.
42. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may, upon such evidence being produced as may be required by the Directors, either be registered as a Member (in respect of which registration no fee shall be payable) or, without being so registered, execute a transfer to some other person who shall be registered as a transferee of such share; but the Directors shall in either case have the like power of declining or refusing to register such transfer as is provided

with respect to ordinary transfers. Should such person fail either to transfer the share or to elect to be registered as a Member in respect thereof within sixty days of being required so to do by the Directors, he shall, in the case of shares which are fully paid up, be deemed to have elected to be registered as a Member in respect thereof and may be registered accordingly.

43. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, unless and until he is registered as a Member in respect of the share, be entitled in respect of it to receive notices of or to exercise any rights conferred by membership in relation to meetings of the Company.

### **CONSOLIDATION AND SUB-DIVISION OF SHARES**

44. The Company may by Ordinary Resolution consolidate its shares, or any of them, into shares of a larger amount.
45. The Company may by Ordinary Resolution sub-divide its shares, or any of them, into shares of a smaller amount, and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other or others.
46. Subject to any direction by the Company in General Meeting, whenever as the result of any consolidation or sub-division and consolidation of shares Members of the Company are entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they shall determine and in particular may sell the shares to which Members are so entitled in fractions for the best price reasonably obtainable and pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may nominate some person to execute a transfer of the shares sold on behalf of the Members so entitled to the purchaser thereof and may cause the name of the purchaser to be entered in the Register as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## **CONVERSION OF SHARES INTO STOCK**

47. The Company may by Ordinary Resolution convert any fully paid-up shares into stock of the same class as the shares which shall be so converted, and reconvert such stock into fully paid-up shares of the same class and of any denomination.
48. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which any shares in the capital of the Company may be transferred, or as near thereto as circumstances admit, but the Directors may from time to time fix the minimum amount of stock transferable (which minimum shall not exceed the nominal amount of the shares from which the stock arose), and direct that fractions of that minimum shall not be transferred, but with power at their discretion to waive such rules in any particular case.
49. The several holders of such stock shall be entitled to participate in the dividends and profits of the Company according to the class of stock and the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at Meetings of the Company and for other purposes as would have been conferred by shares of the same class of equal amount in the capital of the Company, but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company and in the assets of the Company on a winding up shall be conferred by any such amounts of stock as would not, if existing in shares, have conferred such privileges or advantages.
50. All such provisions of these Articles relating to shares as are applicable to fully paid-up shares shall apply to stock, and in all such provisions the words "share" and "shareholder" shall include "stock" and "stockholder". No such conversion shall affect or prejudice any preference or other special privilege.

## **INCREASE OR REDUCTION OF CAPITAL**

51. The Company may, from time to time, by Ordinary Resolution, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution may prescribe. Subject to such privileges, priorities, or conditions as are or may be attached thereto, all new shares shall be subject to the same provisions in all respects as if they had been part of the original capital.

52. Any new shares in the capital of the Company may be issued with such preferential right to dividend and such priority in the distribution of assets, or subject to such postponement of dividends or in the distribution of assets, and with or subject to such preferential or limited or qualified right of voting at General Meetings as the Company may from time to time by Ordinary Resolution determine, or, if no such determination be made, as the Directors shall determine, but so that the preferential or special rights attached to any issued shares as a class shall not be varied except with the consent of the holders thereof duly given under the provisions of these Articles. Any Share may, with the sanction of a Special Resolution, be issued on the terms that it is, or, at the option of the Company is liable to be redeemed.
53. The Company may from time to time by Special Resolution reduce its share capital, any capital redemption reserve fund, any share premium account or other undistributable reserve in any manner authorised by law. The Company may also by Ordinary Resolution cancel any shares not taken or agreed to be taken by any person.
54. (A) Subject to the provisions of the Statutes and paragraph (B) of this Article, and to any rights conferred on the holders of any class of shares, the Company may purchase its own shares (including any redeemable shares). Every contract for the purchase by the Company of, or under which it may become entitled or obliged to purchase, its own shares shall, in addition to such authorisation as may be required by the Statutes, be sanctioned by an Extraordinary Resolution passed at a Separate General Meeting of the holders of each class of shares entitling the holders thereof, either immediately or at any time later on, to convert such shares into ordinary shares in the capital of the Company. Subject to paragraph (B) of this Article neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.
- (B) In the case of the purchase by the Company of any listed redeemable shares:-
- (i) the price at which the Company may purchase such shares from persons other than investors who are particularly knowledgeable in investment matters must not exceed 5% above the average market value of such shares for the ten business days before the purchase; and

- (ii) any purchase of such shares by tender must be available to all members alike.

### **PART III**

#### **GENERAL MEETINGS**

- 55. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date on one Annual General Meeting and the next. Annual General Meetings shall be held at such time and place as may be determined by the Directors.
- 56. All General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.
- 57. The Directors may, whenever they think fit, convene an Extraordinary General Meeting of the Company, and Extraordinary General Meetings shall also be convened on such requisition or in default may be convened by such requisitionists as provided by the Statutes. Any meeting convened under this Article by requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.
- 58. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by twenty-one clear days' notice in writing at the least, and a General Meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by fourteen clear days' notice in writing at the least. The notice shall specify the place, the day and hour of meeting, and in case of special business the general nature of such business and shall be given, subject as and in manner herein mentioned, to the Members, to the Directors and to the Auditors. A notice calling an Annual General Meeting shall specify the meeting as such.
- 59. A General Meeting shall, notwithstanding that it is called by shorter notice than that specified in the immediately preceding Article, be deemed to have been duly called if it is so agreed by such Members as are prescribed in that behalf by the Statutes.
- 60. In every notice calling a meeting of the Company or any class of the Members of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him, and that

a proxy need not also be a Member.

61. The accidental omission to send a notice to or the non-receipt of any notice by any Member or the Auditors shall not invalidate the proceedings at any General Meeting.
62. The business of an Annual General Meeting shall be to receive and consider the profit and loss account, the balance sheet and reports of the Directors and of the Auditors, and the documents required by law to be annexed to the balance sheet, to elect Directors and officers in the place of those retiring by rotation or ceasing to hold office pursuant to Article 93 and to fix their remuneration if required, to declare dividends, (unless dividends shall have been declared by the Directors pursuant to Article 132) to appoint and to fix or determine the manner of the fixing of, the remuneration of the Auditors, and to transact any business brought before the meeting by the Directors' report and any other business which under these Articles ought to be transacted at an Annual General Meeting. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.
63. Where by any provision contained in the Statutes special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Statutes permit) before the meeting at which it is moved, and the Company shall give to its Members, subject as in these Articles provided, notice of any such resolution as provided by the Statutes.
64. For all purposes the quorum for a General Meeting shall be not less than two Members present in person or by proxy or being corporations present by a duly authorised representative.
65. No business shall be transacted at any General Meeting unless the quorum requisite shall be present when the meeting proceeds to business.
66. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such time and place as the Chairman shall appoint. At any such adjourned meeting, the Members present and entitled to vote, whatever their number, shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.
67. The Chairman of the Board of Directors, or failing him, the Deputy Chairman, shall preside as Chairman at every General Meeting of the

Company. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the meeting, or be unwilling to act, the Directors present shall select one of their number to be Chairman, and that failing, the Members present and entitled to vote shall choose some one of their number to be Chairman.

68. The Chairman may, with the consent of the meeting (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place, and without such consent he may adjourn any meeting at which a proposal of importance is made for the consideration whereof in his judgment (which shall not be challenged) a larger attendance of Members is desirable. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
69. Whenever a meeting is adjourned for fourteen days or more, seven clear days' notice in writing at the least specifying the place, the day and hour of the adjourned meeting shall be given to the Members subject as and in manner herein mentioned, to the Directors, and to the Auditors, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.
70. 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 clerical amendment to correct a patent error) may in any event be considered or voted upon.
71. At any General Meeting, a resolution put to the vote of the meeting shall be decided by a show of hands unless (before, or upon the declaration of the result of, the show of hands) a poll be duly demanded, in accordance with the provisions of these Articles, and unless a poll be so demanded a declaration by the Chairman that the resolution has been carried, or carried by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
72. In the case of an equality of votes the Chairman shall, both on a show of hands and at a poll have a casting vote in addition to the votes to which he may be entitled as a Member.

73. A poll may be demanded upon any question by the Chairman or by not less than three Members present in person or by proxy and entitled to vote or by a Member or Members present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting or by a Member or Members present in person or by proxy 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.
74. A valid instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, and for the purposes of the immediately preceding Article a demand by a proxy for a Member or other person entitled to vote shall be deemed to be a demand by that Member or other person.
75. Subject to the provisions of the next succeeding Article hereof, if a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once, or after an interval or adjournment (but not more than thirty days after the date of the meeting or adjourned meeting at which the poll was demanded), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. No notice need be given of a poll not taken immediately.
76. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.
77. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

## **VOTING**

78. Subject to any special terms as to voting upon which any shares may have been issued or may from the time being held, every Member present in person shall upon a show of hands have one vote and every Member present in person or by proxy shall upon a poll have one vote for every share held by him. Any corporation holding shares conferring the right to vote may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any General Meeting of the Company or at any meeting of holders of any class of shares of the Company and such representative shall be entitled to exercise the same powers on behalf of such corporation as if it were an

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

79. If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, either personally or by proxy, the Member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.
80. No member shall be entitled to be present or to vote at any General Meeting or upon any poll, or to exercise any privilege as a Member unless all Calls or other moneys due and payable in respect of any share of which he is the holder have been paid.
81. (A) If any Member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 212 of the Act and is in default for the prescribed period in supplying to the Company the information thereby required, then (unless the Directors otherwise determine) in respect of:-
- (i) the shares comprising the shareholding account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "default shares", which expression shall include any further shares which are issued in respect of such shares); and
  - (ii) any other shares held by the Member;

the Member shall not (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred other than pursuant to an approved transfer or pursuant to paragraph (B)(ii) of this Article be entitled to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to

shareholders' meetings.

(B) Where the default shares represent at least 0.25 per cent of the issued shares of the class concerned, then the Directors may in their absolute discretion by notice (a "direction notice") to such Member direct that:-

(i) any dividend or other money which would otherwise be payable on such shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the Member; and/or

(ii) no transfer of any of the shares held by such Member shall be registered unless the transfer is an approved transfer or:-

(a) the Member is not himself in default as regards supplying the information requested; and

(b) the transfer is of part only of the Member's holding and when presented for registration is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a direction notice its terms shall apply accordingly. The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice.

(C) Save as herein provided any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect thereafter upon the Directors so determining (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member). Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph (B)(ii) of this Article.

(D) For the purpose of this Article:-

(i) a person shall be treated as appearing to be interested in

any shares if the Member holding such shares has given to the Company a notification under Section 212 of the Act and either (a) the Member has named such person as being so interested or (b) (after taking into account the response of the Member to the notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

(ii) the prescribed period is 14 days from the date of service of the said notice under Section 212 of the Act;

(iii) a transfer of shares is an approved transfer if but only if:-

(a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in Part XIII A of the Act); or

(b) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with a Member and with other persons appearing to be interested in such shares; or

(c) the transfer results from a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.

(E) Nothing contained in this Article shall limit the power of the Directors under Section 216 of the Act.

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

83. On a poll votes may be given personally or by proxy. The instrument appointing a proxy shall be in writing in the usual form, or such other form as shall be approved by the Directors, under the hand of the appointor or his duly constituted attorney; or if such appointor is a corporation, under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A proxy need not be a Member of the Company.

84. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed, or a notarially certified or office copy thereof, shall be deposited at the Office or at such other place within the United Kingdom as is specified for that purpose in any instrument of proxy sent by the Company in relation to the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote and in default such instrument shall not be treated as valid.
85. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the time for holding the meeting or adjourned meeting at which such vote is given.

#### **VARIATION OF RIGHTS**

86. If at any time the capital is divided into different classes of shares all or any of the rights or privileges attached to any class may, subject to the provisions of Section 125 of the Act, be varied or abrogated either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a Separate General Meeting of the holders of the issued shares of that class, but not otherwise. The creation or issue of share ranking *pari passu* with the shares of any class carrying preferential or special rights shall not (unless otherwise expressly provided by these Articles or the conditions of issue of such last mentioned shares) be deemed to be a variation of the rights of such shares.
87. Any meeting for the purpose of the last preceding Article shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the class the rights or privileges attached to which are intended to be varied or abrogated by the resolution, and that no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall, subject to the provisions as to an adjourned meeting hereinbefore contained, be two persons at least present holding or representing by proxy at least one-third in nominal amount of the issued shares of the class, and that a poll may be demanded in writing by any Member present in person or by proxy and entitled to vote at the meeting.

## **PART IV**

### **DIRECTORS AND OTHER OFFICERS**

#### **DIRECTORS**

88. The number of Directors shall not be more than nine nor less than two, but the continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors be less than the prescribed minimum the remaining Director or Directors shall forthwith appoint an additional Director or additional Directors to make up such minimum or shall convene a General Meeting of the Company for the purpose of making such appointment. If there be no Director or Directors able or willing to act then any two shareholders may summon a General Meeting for the purpose of appointing Directors. Any additional Director so appointed shall (subject to the provisions of Section 303 of the Act and these Articles) hold office only until the dissolution of the Annual General Meeting of the Company next following such appointment unless he is re-elected during such meeting and he shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of Directors at such meeting.
89. The ordinary remuneration of each Director shall not exceed £10,000 per annum (or such other sum as may from time to time be determined by the Company in General Meeting), with an additional sum not exceeding £5,000 per annum (or such other sum as may from time to time be determined by the Company in General Meeting) for the Chairman. The Directors may also be paid by way of additional fees such further sums as the Company in General Meeting may from time to time determine, and any such additional fees shall be divided among the directors as they shall agree or in default of agreement equally.
90. The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors including any expense incurred in attending Meetings of the Board or of Committees of the Board or General Meetings and if in the opinion of the Directors it is desirable that any of their number should make any special journeys or perform any special services on behalf of the Company or its business, such Director or Directors may be paid such reasonable additional remuneration and expenses therefor as the Directors may from time to time determine.
91. A Director shall not be required to hold any shares of the Company by way of qualification.

92. A Director shall be entitled to receive notice of and attend and speak at all General Meetings of the Company and at all Separate General Meetings of the holders of any class of shares in the capital of the Company.
93. The Directors shall have power at any time to appoint any person either to fill casual vacancies or as an addition to the Board but so that the total number of Directors shall not exceed the maximum number fixed as above. Subject to the provisions of Section 303 of the Act and of these Articles, any Director so appointed shall hold office only until the dissolution of the Annual General Meeting of the Company next following such appointment unless he is re-elected during such meeting, and he shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of Directors at such meeting.

### **ALTERNATE DIRECTORS**

94. Any Director may by writing under his hand appoint (1) any other Director, or (2) any other person who is approved by the Board of Directors as hereinafter provided to be his alternate; and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and, in the absence from the Board of the Director appointing him, to attend and vote at meetings of the Directors, and to exercise all the powers, rights, duties and authorities of the Director appointing him: Provided always that no appointment of a person other than a Director shall be operative unless and until the approval of the Board of Directors by a majority of the whole Board shall have been given. A Director may at any time revoke the appointment of an alternate appointed by him, and subject to such approval as aforesaid where requisite appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine, provided always that if any Director retires by rotation or pursuant to the immediately preceding Article hereof but is re-elected that meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. The appointment of an alternate Director shall cease and determine on the happening of any event which if he was a Director, would render him legally disqualified from acting as a Director or if he has a receiving order made against him or if he compounds with his creditors generally or if he becomes of unsound mind. An alternate Director need not hold a share qualification and shall not be counted in reckoning the maximum number of Directors allowed by the Articles of Association for the time being. A Director acting as alternate shall have an additional vote at meetings of Directors for each Director for whom he

acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.

95. Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him.

### **MANAGING AND EXECUTIVE DIRECTORS**

96. Subject to the provisions of Section 319 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director or joint Managing Directors of the Company or to hold such other Executive Office in relation to the management of the business of the Company as they may decide either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, except that any appointment of a Managing Director shall be for a maximum period of five years without prejudice to the Directors being entitled to appoint any such Managing Director for successive periods not exceeding in the case of any period a maximum of five years, and may, from time to time (subject to the provisions of any service contract between him and the Company and without prejudice to any claim for damages he may have for breach of any such service contract), remove or dismiss him or them from such office and appoint another or others in his or their place or places.
97. A Managing Director or such Executive Director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors, but he shall (without prejudice to any claim for damages any such Managing Director or Executive Director may have for breach of any service contract between him and the Company) be subject to the same provisions as to removal and as to vacation of office as the other directors of the Company, and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately (but without prejudice as aforesaid) cease to be a Managing Director or such Executive Director.
98. The salary or remuneration of any Managing Director or such Executive Director of the Company shall, subject as provided in any contract, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, or may include the making of provisions

for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance benefits, or may be upon such other terms as the Directors determine.

99. The Directors may from time to time entrust to and confer upon a Managing Director or such Executive Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient; and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **POWERS AND DUTIES OF DIRECTORS**

100. The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them may exercise all such powers, and do all such acts and things as may be exercised or done by the Company, and as not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to such directions (being not inconsistent with any regulations of these Articles or the provisions of the Statutes) as may be given by the Company in General Meeting. Provided that no direction given by the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if such direction had not been given, and the provisions contained in these Articles as to any specific power of the Directors shall not be deemed to abridge the general powers hereby given.
101. The Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary, and to the wives, widows, children and other relatives and dependants of any such persons, and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds for the benefit of such persons as are hereinbefore referred to, or any of them, or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise). Subject to Article 102, any Director may vote as a Director in respect of the exercise of any of the powers by this Article conferred upon the Directors notwithstanding that

he is or may become interested therein.

102. (A) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Directors may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Directors may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (B) A Director shall not vote or be counted in the quorum on any resolution of the Directors for his own appointment as the holder of any office or place of profit under the Company or the arrangement or variation of the terms thereof.
- (C) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (D) Subject to the next paragraph of this Article, and to the provisions of the Statutes no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor (subject as aforesaid) shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor (subject as aforesaid) shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (E) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows he is or has become so interested. A general notice to the Directors given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract

or arrangement which may after the date of the notice be made with such company or firm or that he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him (within the meaning of Section 346 of the Act) shall be sufficient declaration of interest under this Article in relation to any contract or arrangement so made. Provided that no such notice shall be effective unless either it is given at a meeting of the Directors or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given. For the purposes hereof a transaction or arrangement of a kind described in Section 330 of the Act made for a Director or a person connected with such Director (within the meaning of Section 346 of the Act) shall if it would not otherwise be so treated (and whether or not prohibited by that Section) be treated as a transaction or arrangement in which that Director is interested.

- (F) Save as provided in the following paragraphs of this Article, a Director shall not vote in respect of any contract or arrangement or any other proposals whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (G) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely:-
- (i) The giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries.
  - (ii) The giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security.
  - (iii) Any proposal concerning an offer of shares or debenture or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he

is or is to be interested as a participant in the underwriting or sub-underwriting thereof.

- (iv) Any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or a shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances).
  - (v) Any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.
  - (vi) Any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of, inter alia, any Director of the Company.
- (H) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of the appointment) of two or more Directors to officers 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 cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (G)(iv) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (I) If any question shall arise at any meeting 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 except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.
- (J) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not

duly authorised by reason of a contravention of this Article.

103. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers or servants of such company or voting or providing for the payment of remuneration to such officers or servants) and subject to Article 102, any Director of the Company may vote in favour of the exercise of such voting rights manner aforesaid.
104. A Director of the Company may continue to be or become a director or other officer, servant or member of any company promoted by the Company or in which it may be interested as a Vendor, Shareholder, or otherwise, and no such Director shall be accountable for any remuneration or other benefits derived as a director or other officer, servant or member of such company.
105. The Directors may exercise any power conferred by the Act 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.
106. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory specified in Part 1 of Schedule 14 to the Act a branch register of members resident in such territory and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

### **LOCAL MANAGEMENT**

107. The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether at home or abroad, in such manner as they think fit, and the provisions contained in the three next following sub-clauses shall be without prejudice to the general powers conferred by this Article:-
  - (A) The Directors from time to time, and at any time, may establish any Local Board or agencies for managing any of the affairs of the Company in any such specified locality, and may appoint any persons to be Members of such Local Board, or any managers or agents, and may fix their remuneration. And the Directors from time to time, and at any time, may delegate to any person so

appointed any of the powers, authorities, and discretions for the time being vested in the Directors, other than the power of making Calls, and may authorise the Members for the time being of any such Local Board, or any of them, to fill up the vacancies therein, and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.

- (B) The Directors may at any time and from time to time by Power of Attorney under the Seal of the Company, appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these presents), and for such period and subject to such conditions as the Directors may from time to time think fit; and any such appointment may (if the Directors think fit) be made in favour of the Members or any of the Members of any Local Board established as aforesaid, or in favour of any company, or of the members, directors, nominees, or managers of any company or firm, or in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors; and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorneys or Attorneys as the Directors may think fit.
- (C) Any such delegates or Attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.

### **BORROWING POWERS**

- 108. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and subject to Section 80 of the Act, 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.
- (B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far as by such restriction and exercise they can do so) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the

Group (exclusive of inter-Group borrowings) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed twice the amount paid up on the share capital of the Company for the time being issued. For the purposes of the said limit the issue of debentures shall be deemed to constitute borrowing notwithstanding that the same may be issued in whole or in part for a consideration other than cash.

- (C) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether this limit is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit hereby imposed had been or would thereby be exceeded.
- (D) Subject as aforesaid the Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage or charge upon all or any part of the undertaking or property of the Company, both present and future and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security and the Directors may confer upon any mortgagees or persons in whom any debentures, debenture stock, or security is vested, such rights and powers as they think necessary or expedient; and they may vest any property of the Company in trustees for the purpose of securing any moneys so borrowed or raised and confer upon the trustees or any receiver to be appointed by them or by any debenture holder such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company, or the management or the realisation thereof, or the making, receiving or enforcing of Calls upon the Members in respect of unpaid capital and otherwise and may make and issue debentures to trustees for the purpose of further security and any such trustees may be remunerated.
- (E) The Directors may give security for the payment of any moneys payable by the Company in like manner as for the payment of money borrowed or raised, but in such case the amount shall for the purposes of the above limitation be reckoned as part of the money borrowed.

109. The Directors shall cause a proper register to be kept at the Office in accordance with Section 411 of the Act (as inserted by Section 101 of the Companies Act 1989) of all mortgages and charges specifically affecting the property of the Company and all floating charges on the undertaking

or any property of the Company, and shall duly comply with the requirements of the Statutes in relation to the registration of mortgages and charges with the Registrar of Companies and otherwise. The fee to be paid by any person other than a creditor or Member of the Company for each inspection of the register of mortgages to be kept under the Act shall be the sum of 5p.

### **DISQUALIFICATION OF DIRECTORS**

110. The office of a Director shall be vacated:-
- (A) if he delivers to the Board or to the Secretary a notice in writing of his resignation of his office of Director; or
  - (B) if he becomes prohibited by law from being a Director; or
  - (C) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or
  - (D) if an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
  - (E) if not having leave of absence from the Directors he or his alternate (if any) fails to attend the meetings of the Directors for six successive months unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient and the Directors resolve that his office be vacated; or
  - (F) if he is removed from office by a resolution duly passed pursuant to Section 303 of the Act.

### **RETIREMENT, ELECTION AND APPOINTMENT OF DIRECTORS**

111. At each Annual General Meeting, one-third of the Directors, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the dissolution of such meeting.
112. The Directors to retire shall be one-third or other nearest number who

have been longest in office. As between two or more who have been in office an equal length of time, the Director to retire shall in default of agreement between them be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment when he has previously vacated office. A retiring Director shall be eligible for re-election.

113. The Company at any General Meeting at which any Directors retire in manner aforesaid may, subject to any resolution reducing the number of Directors, fill up the vacated offices by electing a like number of persons to be Directors and may fill up any other vacancies.
114. If at any General Meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled up, then, subject to any resolution reducing the number of Directors the retiring Directors, or such of them as have not had their places filled up, shall, if willing, continue in office until the dissolution of the Annual General Meeting in the next year, and so on from year to year until their places are filled up, unless as regards any particular Director, a resolution for his re-election shall have been put to the meeting and lost.
115. A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.
116. No person except a retiring Director shall be elected a Director (unless recommended by the Directors for election) unless notice in writing shall be sent to the Secretary not more than twenty-eight days and not less than seven days before the day of the meeting at which the election is to take place, signed by a Member duly qualified to attend and vote at each meeting stating the name and address of the person who offers himself or is proposed as a candidate, together with a notice in writing signed by such person of his willingness to be elected.
117. The Company in General Meeting may from time to time as special business and within the limits hereinbefore provided increase or reduce the number of Directors then in office, and may also determine in what rotation such increased or reduced number is to go out of office, and upon passing any resolution for an increase may appoint the additional Director or Directors necessary to carry the same into effect.
118. No person shall be or become incapable of being appointed a Director by reason of his having attained the age of seventy or any other age, nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate

his office at any time by reason of the fact that he has attained the age of seventy or any other age.

## **PROCEEDINGS OF DIRECTORS AND COMMITTEES**

119. The Directors may meet together for the dispatch of business adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction business. Until otherwise determined two Directors shall constitute a quorum. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. One Director may, and the Secretary shall at the request of a Director, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of the Directors to a Director who is not within the United Kingdom.
120. The Directors may elect a Chairman and a Vice-Chairman of their meetings, and determine the period for which such Chairman and Vice-Chairman is to hold office, but if no such Chairman or Vice-Chairman is elected, or if at any meeting the Chairman or Vice-Chairman is not present at the time appointed for holding the same, the Directors present shall choose some of their number to be Chairman of such meeting.
121. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Articles for the time being vested in or exercisable by the Directors generally.
122. All or any of the Directors or any Committee of the Directors may participate in a meeting of the Directors or that Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.
123. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors (or by their respective alternate Directors) shall be as effective for all purposes as a resolution of the Directors 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. Provided that such a resolution need not be signed by alternate Director if it is signed by the Director who appointed him.

124. The Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit.
125. All Committees shall in the exercise of the powers delegated to them, and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Directors and subject thereto may regulate their proceedings in the same manner as the Directors may do.
126. The Directors shall cause minutes to be made of the following matters, namely:-
- (A) of all appointments of officers, and Committees made by the Directors, and of their salary or remuneration;
  - (B) of the names of Directors present at every meeting of the Board or of Committees of Directors, and all business transacted at such meetings;
  - (C) of all orders, resolutions and proceedings of all General Meetings and of the Directors and Committees of Directors.

And any such minute as aforesaid, if purporting to be signed by the Chairman of the meeting at which the proceedings were had, or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes without any further proof.

127. The Company shall keep and make available for inspection in accordance with the provisions of the Statutes:-
- (A) copies and memoranda of Directors' service contracts;
  - (B) a register of Directors' interests in shares or debentures of the Company or its associated companies (which register shall be produced and remain open at each Annual General Meeting);
  - (C) a register of interests of shares and any report prepared pursuant to Section 215 of the Act.
128. All acts done by a meeting of the Directors, or of a Committee, or by any person acting as a Director, shall as regards all persons dealing with the Company in good faith notwithstanding that it be afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid, or that they or any of them were or was disqualified,

or had in any way vacated their or his office be as valid as if every such person had been duly appointed, and were duly qualified and had continued to be a Director.

### **SECRETARY**

129. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries.
130. A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary, shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

### **PART V. RESERVES, DIVIDENDS, ACCOUNTS, AUDIT, COMMON SEAL, NOTICES**

#### **RESERVES**

131. The Directors may before declaring or recommending any dividends whether preferential or otherwise carry to reserve out of the profits of the Company such sums as they think proper. All sums standing to reserve may be applied from time to time in the discretion of the Directors for the meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any of the property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors think fit. 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 as they think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

#### **DIVIDENDS**

132. The Company in General Meeting or the Directors may declare a dividend to be paid to the Members according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors.

133. No dividend shall bear interest as against the Company
134. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of Calls shall be treated for the purposes of this Article, as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portions of the period in respect of which the dividend is paid: but if any share is issued on terms providing that it shall rank for dividend in whole or in part as from a particular date such share shall rank for dividend accordingly.
135. In case several persons are registered as joint holders of any share any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share.
136. The Directors may from time to time declare and pay an interim dividend to the Members.
137. No dividends shall be payable except out of profits in accordance with the provisions of Part VIII of the Act which apply to the Company.
138. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.
139. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
140. Every dividend shall belong and be paid (subject to the Company's lien) to those Members who shall be on the register at the date fixed by the Directors for the purpose of determining the persons entitled to such dividend (whether the date of payment or some other date) notwithstanding any subsequent transfer or transmission of shares.
141. The Directors may deduct from the dividends payable to any Member all

such sums as may be due from him to the Company on account of Calls or otherwise in relation to shares of the Company.

142. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.
143. The Company may remit any dividend by cheque, dividend warrant, or money order, to be sent by post to the Members or persons entitled thereto, and in case of joint holders, to the Member whose names stands first in the register, or to such person and address as the holder or joint holders may direct, and the Company shall not be responsible for any loss of any such cheque, warrant, or order. Every such cheque, warrant, or order, 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 may direct, and the payment of the cheque, warrant, or order shall be a good discharge to the Company.
144. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company, and the Directors shall give effect to any such direction, provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments may 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 upon trust for the persons entitled to the dividend as may seem expedient to the Directors.
145. The Company may cease to send any cheque or warrant through the post or employ any other means of payment for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable the cheques or warrants have been returned undelivered or remain uncashed or that means of payment has failed but, subject to the provisions of these Articles, may recommence sending cheques or warrants or employing such means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement in writing.

## CAPITALISATION OF RESERVES

146. The Company in General Meeting may upon the recommendation of the Directors from time to time and at any time pass a resolution to the effect that any sum for the time being standing to the credit of any of the Company's reserve funds or to the credit of the profit and loss account or of any capital redemption reserve fund or share premium account be capitalised and that accordingly such sum be appropriated to the members in accordance with their rights and interests in the profits<sup>\*\*\*</sup> on the footing that the Members become entitled thereto as capital and that all or any part of such capitalised fund be applied either in or towards paying up amounts for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company, and that such shares or debentures be allotted and distributed among the Members in accordance with their rights and interests in the profits or partly in one way and partly in another. Provided that the only purpose for which sums standing to the credit of any capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid. When such resolution has been passed on any occasion the Directors may allot and issue the shares or debentures therein referred to credited as fully paid up to the Members according to their rights and interests in the profits<sup>\*\*\*</sup> with full power to make such provision as they think expedient for the case of shares or debentures becoming distributable in fractions (and in particular but without prejudice to the generality of the foregoing to sell the shares or debentures represented by such fractions and distribute the net proceeds of such sale amongst the Members otherwise entitled to such fractions in due proportions) and also to authorise any person to enter into an agreement on behalf of the members with the Company providing for the allotment to the Members of such shares credited as fully paid up, and any agreement made under any such authority shall be effective. Any proceeds of sale of shares or debentures arising under this Article shall, until distributed, be available to the Company for its own use free of interest and without any liability to account for any profit arising therefrom.
147. Subject to approval by the Company at any General Meeting the Directors may, in respect of any dividend (whether final or interim) declared or proposed to be declared at that General Meeting or at any time prior to the next following General Meeting (and provided that an

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\*\*\* \*\* MEMORANDUM:- By virtue of a Special Resolution duly passed on 29th September 2006, Article 146 was amended by the addition of the following words "(or to such member or members as may be approved by Special Resolution)" .where indicated in the Article.

adequate number of unissued shares are available for the purpose), determine and announce, prior to or contemporaneous with their announcement of the dividend in question and any related information as to the Company's profits for such dividend in question and any period or part thereof, that Members will be entitled to elect to receive in lieu of such dividend (or part thereof) an allotment of additional shares credited as fully paid. In any such case the following provisions shall apply:-

- (A) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value (calculated by reference to the average quotation) of the additional shares (including any fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amount. For such purposes the "average quotation" of a share shall be the average of the means of quotations of the London Stock Exchange as shown in the Daily Official List on each of the first five business days on which the shares are quoted ex the relevant dividend;
- (B) the Directors shall give notice in writing to the Members of the right of election accorded to them and shall send with or following such notice forms of election and specify the procedure to be followed and the place at, the latest date and time, by which duly completed forms of elections must be lodged in order to be effective;
- (C) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall (and shall be deemed to have been duly authorised to) capitalise out of such sums standing to the credit of reserves (including any share premium account or capital redemption reserve fund) or profit and loss account as the Directors may determine a sum equal of the aggregate nominal amount of additional shares to be allotted on such basis;
- (D) the additional shares so allotted shall rank *pari passu* in all respects with the fully paid shares then in issue save only as regards participation in the relevant dividend (or share election in lieu);
- (E) 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 in the case of shares becoming distributable in fractions (including

provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto any agreement made under such authority shall be effective and binding on all concerned; and

- (F) the Directors may on any occasion determine that rights of election shall not be made available to any Members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

### **ACCOUNTS**

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

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

The books of account shall be kept at the Office or (subject to the provisions of the Statutes) at such other place or places as the Directors think fit.

149. The Directors shall from time to time determine whether and to what extent and at what time and places, and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to the inspection of the Members, and no Member shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by the Company in General Meeting. The register shall be open for inspection by any member or other person entitled to inspect the same, and any person other than a Member inspecting the same shall pay a fee of 5p.

150. The Directors shall from time to time in accordance with the provisions of

the Statutes cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Statutes.

151. A printed copy of every profit and loss account and balance sheet, including all documents required by law to be annexed to the balance sheet, which is to be laid before the Company in General Meeting, together with copies of the Directors' and of the Auditors' reports (or, in accordance with and subject to Section 251 of the Act, a summary financial statement) shall (in accordance with and subject to the provisions of the Statutes) not less than twenty-one clear days before the date of the meeting be sent to every Member (whether he is or is not entitled to receive notices of General Meetings of the Company) and every holder of debentures of the Company (whether he is or is not so entitled) and the Auditors and all other persons, being persons so entitled, and the required number of copies of these documents shall at the same time be forwarded to the Secretary of the Quotations Department, The Stock Exchange, London, and to the secretary or other appropriate officer of any other Stock Exchange on which any of the share capital or securities of the Company is for the time being quoted or the subject of permission to deal.

#### **AUDIT**

152. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.

#### **COMMON SEAL**

153. The Directors shall have power from time to time to destroy the Common Seal of the Company and substitute a new seal in lieu thereof.
154. The Common Seal of any Company shall be deposited at the Office and shall never be affixed to the document except by the authority of a resolution of the Directors and subject as in this Article provided two Directors or one Director and the Secretary shall sign autographically every instrument to which the Common Seal shall be affixed and in favour of any purchaser or person bona fide dealing with the Company, such signatures shall be conclusive evidence of the fact that the Common Seal has been properly affixed. Notwithstanding the foregoing provisions of this Article any certificate for Shares, Stock or Debenture or Loan Stock (except where the trust deed constituting any debenture stock or loan stock provides to the contrary) or representing any other form of security of the Company to which the Common Seal of the Company is required to be affixed need not be signed by any persons.

155. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Directors.

### **BILLS, NOTES, CHEQUES AND RECEIPTS**

156. The Directors may draw, make, accept or endorse, or authorise any other person or persons to draw, make, accept, or endorse any cheques, bills of exchange, promissory notes or other negotiable instruments, provide that every cheque, bill of exchange, promissory note or other negotiable instrument drawn, made or accepted shall be signed by such persons or person as the Directors may appoint for the purpose.

### **AUTHENTICATION AND DESTRUCTION OF DOCUMENTS**

157. 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 of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Directors or any committee of the Directors, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of proceedings at a duly constituted meeting.
158. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document

hereinbefore mentioned so destroyed was a valid document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant; (ii) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

### NOTICES

159. A notice may be served by the Company upon any Member, either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered place of address, or at any other address in the United Kingdom which the Member shall have in writing given to the Company as his address for service.
160. Members whose registered place of address shall not be in the United Kingdom and who shall not have given to the Company an address for service of notices in the United Kingdom shall not be entitled to receive any notices whatsoever, but the Directors may, if they think proper, serve any notice upon such Member in manner above mentioned.
161. A notice or other document addressed to a Member at his registered place of address or address for service in the United Kingdom shall, if served by post, be deemed to have been served at the latest within twenty-four hours after the same shall have been posted, and in proving such service it shall be sufficient to prove that the letter containing the same was properly addressed and put into a post office.
162. All notices directed to be given to the Members shall with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such share.
163. Service of a notice at the registered place of address or the address for service in the United Kingdom of any person whose name remains registered as the holder or joint holder of any share, shall notwithstanding the death of such person and whether or not the Company have notice of his decease be deemed to be sufficient notice to his executors or administrators, and to the survivor or survivors of the joint holders, and to all other persons entitled to such share.

164. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least one national daily newspaper with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto 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.
165. Nothing in any of the preceding five Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

### **DIVISION OF ASSETS IN SPECIE**

166. The Liquidator on any winding up of the Company (whether voluntary or under supervision or compulsory) may with the authority of an Extraordinary Resolution or any other sanction required by the Statutes, divide among the Members in 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 for such purpose may 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 Members or classes of Members.

### **INDEMNITY**

167. The Company may purchase and maintain for any Director or other officer or auditor insurance against any liability. Subject to those provisions and without prejudice to any indemnity to which the person concerned may otherwise be entitled and subject to the provisions of and so far as may be consistent with the Statutes, every Director, Managing Director, Agent, Auditor, Secretary and other officer for the time being of the Company shall be entitled to be indemnified out of the assets of the Company against any liability incurred by him as such Director, Managing Director, Agent, Auditor, Secretary or other officer in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court.