

As amended 30 March 2005

AM Knightley

COMPANY NUMBER 18751

THE COMPANIES ACT 1985 (as amended)

PUBLIC LIMITED COMPANY

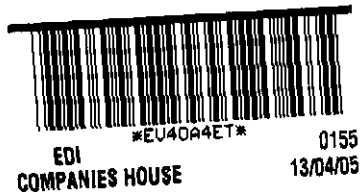
MEMORANDUM &
ARTICLES OF ASSOCIATION

OF

THE PORTSMOUTH HARBOUR
FERRY COMPANY
PUBLIC LIMITED COMPANY

INCORPORATED ON 21st AUGUST 1883

Blake Lapthorn
— solicitors —



The Companies Act 1985 ("the Act")

Company Limited by Shares

Company Number: 18751

MEMORANDUM OF ASSOCIATION

of

THE PORTSMOUTH HARBOUR FERRY COMPANY PUBLIC LIMITED COMPANY

1. The name of the Company is The Portsmouth Harbour Ferry Company Public Limited Company.
2. The Company is to be a public company.
3. The Registered Office of the Company will be situate in England.
4. The objects for which the Company is established are:-
 - (A) To carry on business as a general commercial company.
Without prejudice to the generality of clause 4(A):-
 - (B) To acquire by purchase, lease, exchange, hire or otherwise, or to hold for any estate or interest, any land, buildings, easements, rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business.
 - (C) To erect, alter or to maintain any buildings, plant and machinery necessary or convenient for the Company's business and to contribute to or subsidise the erection, construction and maintenance of any of the above.
 - (D) To acquire by subscription or otherwise and hold, sell, deal with or dispose of any Shares, Stock, Debentures, Debenture Stocks, or other Securities of any kind whatsoever, guaranteed by any company constituted or carrying on business in any part of the world and Debentures, Debenture Stock and Securities of any kind guaranteed by any Government or Authority, Municipal, Local or otherwise, whether at home or abroad, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by the ownership thereof.
 - (E) To borrow or receive money on deposit either without security or secured by debenture, debenture stock (perpetual or terminable), mortgage or other security charged on the undertaking or on all or any of the assets of the Company including uncalled capital, and to generally act as bankers.
 - (F) To guarantee support and/or secure with or without consideration the payment of any debentures, debenture stock, bonds, mortgages, charges, obligations, interest, dividends, securities, monies or shares or the

¹ The name of the Company was changed from "Port of Portsmouth Steam Launch and Towing Company Limited" on 30th January 1962

performance of contracts or engagements of any company or person and in particular (but without prejudice to the generality of the foregoing) of any company which is, for the time being, the Company's holding company as defined by Section 736 of the Companies Act 1985 or any other subsidiary, as defined by the said section of the Company's holding company or otherwise associated with the Company in business and to give indemnities and guarantees of all kinds and by way of security as aforesaid either with or without consideration to mortgage or charge the undertaking and all or any of the real and personal property and assets present or future, to issue debentures and debenture stock and collateral or further to secure any securities of the Company by a Trust Deed or other assurance and to enter into partnership or any joint purse arrangement with any person, persons, firm or company.

- (G) To lend with or without security, and to invest money of the Company upon such terms as the Company may approve, and to guarantee the dividends, interest and capital of the shares, stocks, or securities of any company of or in which this Company is a member or is otherwise interested, and generally as the Directors think fit.
- (H) To apply for, purchase or otherwise acquire and hold or use any patents, licences, concessions, copyrights and the like, conferring any right to use or publish any secret or other information and to use, exercise, develop or grant licences in respect of the property, rights, information so acquired.
- (I) To take part in the formation, management, supervision or control of the business or operation of any company or undertaking and for that purpose to appoint and remunerate any directors, accountants, consultants, experts or agents.
- (J) To employ experts, consultants, and valuers to investigate and examine the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- (K) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition or taking over of all or any of the assets or liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or the interests of this Company and to acquire, hold or dispose of shares, stocks, or securities issued by or any other obligations of any such company.
- (L) To draw, accept and negotiate promissory notes, bills of exchange and other negotiable instruments.
- (M) To invest and deal with the monies of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the Company may approve.
- (N) To pay for any property or rights acquired by the Company either in cash or by the issue of fully or partly paid up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (O) To accept payment for any property or rights sold or otherwise disposed

of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares or stock of any company or corporation, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgages or other securities of any company or corporation or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.

- (P) To enter into arrangements for joint working in business or to amalgamate with or enter into any partnership or arrangement for sharing profits, union of interest, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit this Company.
- (Q) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of property suitable for the purposes of the Company.
- (R) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (S) To provide for the welfare of persons employed or formerly employed by the Company and to grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependants of such persons and to establish and maintain or concur in maintaining trusts, funds or schemes (whether contributory or non-contributory), with a view to providing pensions or other funds for any such persons as aforesaid or their dependants.
- (T) To subscribe to or otherwise aid the establishment and support of, any schools and any educational, scientific, literary, religious or charitable institutions or trade societies whether such institutions or societies be solely connected with the business carried on by the Company or its predecessors in business or not, and to institute and maintain any club or other establishment.
- (U) To distribute in specie assets of the Company properly distributable amongst the members, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (V) To do all or any of the things hereinbefore authorised, either alone or in conjunction with others, or as factors, trustees or agents for others, or by or through factors, trustees or agents.
- (W) To do all such other things as are incidental to or which the Company may think conducive with the above objects or any of them.

AND so that:-

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
 - (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each sub-clause contained the objects of a separate company.
 - (3) The word 'Company' in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
 - (4) In this Clause the expression 'the Act' means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
5. The Liability of the Members is limited.
6. The Share Capital of the Company is £230,000 divided into 230,000 ordinary shares of £1 each.²

² Increased by resolutions passed in 1884, 1920, 1949, 1961, 1971 and 1983.

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

THE PORTSMOUTH HARBOUR FERRY COMPANY PUBLIC LIMITED COMPANY.

(Adopted by a Special Resolution passed on 11th May 1998)

PRELIMINARY

1. The Regulations in Table A as prescribed by the regulations made pursuant to section 1 of the Companies Act 1985 shall not apply to the Company in so far as the same are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column if not inconsistent with the subject or context.

WORDS

MEANINGS

"Acts"

Every statute, (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company.

"these Articles"

These Articles of Association in their present form or as from time to time altered.

"Board"

The Board of directors of the Company or the directors present at a meeting of directors at which a quorum is present.

"clear days"

In relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"debenture" and "debenture holder"	Include debenture stock and debenture stockholder respectively.
"Directors"	The Directors for the time being of the Company.
"Dividend"	Includes a bonus.
"Group"	The Company and any other body corporate which is its subsidiary.
"Member"	A member of the Company.
"Month"	Calendar month.
"1985 Act"	The Companies Act 1985.
"Office"	The registered office for the time being and from time to time of the Company.
"paid up"	Paid up or credited as paid up.
"Register"	The Register of Members of the Company.
"Seal"	The common seal of the Company or any official seal that the Company may be permitted to have under the Acts.
"Secretary"	Includes a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary.
"The United Kingdom"	Great Britain and Northern Ireland.

References in these Articles to writing including typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form.

Words denoting the singular number shall include the plural number and vice versa; words denoting the masculine gender shall include the feminine gender; words denoting persons shall include corporations.

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

Save as aforesaid words and expressions defined in the Acts will bear the same meanings in these Articles if not inconsistent with the subject in the context.

Where, for any purpose, an ordinary resolution of the Company is required a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution shall also be effective.

The headings are inserted for convenience only and shall not affect the construction of these Articles.

BUSINESS

3. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Company at such time as the Board shall consider appropriate, and, further, may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

SHARE CAPITAL

4. The authorised share capital of the Company on the date of adoption of these Articles is £230,000 divided into 230,000 ordinary shares of £1 each ("the Ordinary Shares").
5. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such rights or restrictions as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specified provision, as the Board may determine.
6. Subject to the Act, any shares may, with the sanction of a special resolution, be issued on terms that they are, or at the option of the Company are liable, to be redeemed. The terms and manner of redemption will be provided for by alteration of these Articles.
7. Subject to the Act, the Company may purchase in any manner the Board considers appropriate any of its own shares of any class (including redeemable shares) at any price and any shares to be so purchased may be selected by the Board in any manner whatever.

ALTERATION OF CAPITAL

8. The Company may from time to time by ordinary resolution:-
 - 8.1 Increase its capital by such sum, to be divided into shares of such amounts, as the resolution prescribes and may by such resolution direct that the new shares or any of them will first be offered to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or may make any other provisions as to issue of the new shares;
 - 8.2 consolidate and divide all or any of its capital into shares of larger amounts than its existing shares;
 - 8.3 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled; and
 - 8.4 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Act), and may by such determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares.

9. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under Articles 8.2 and 8.4 and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
10. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised and issued share capital or any capital redemption reserve fund or any share premium account in any manner.

MODIFICATION OF RIGHTS

11. Subject to the Acts and the special rights attaching to any class of shares, all or any of the special rights for the time being attached to any class of shares may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of such shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall, mutatis mutandis, apply, but so that:-
- 11.1 the necessary quorum (other than at an adjourned meeting) shall be two or more persons holding or representing by proxy not less than one-third of the issued shares of the class and at any adjourned meeting or such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum and for the purposes of this Article one holder present in person or by proxy may constitute a meeting;
- 11.2 every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
- 11.3 any holder of shares of the class present in person or by proxy may demand a poll.
12. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

13. 13.1 Subject to the Acts, any resolution of the Company pursuant thereto, and these Articles, the unissued shares of the Company (whether forming part of the original or any increased capital) will be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 13.2 The Company shall not give any financial assistance for the acquisition of shares in the Company except and in so far as permitted by the Acts.
14. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Acts. Subject to

the Acts, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

15. Unless ordered by a Court of competent jurisdiction or required by law, no person will be recognised by the Company as holding any share upon any trust and the Company will not be bound by or required in any way to recognise (even when having notice thereof) any interest in any share in or (except only as otherwise provided by these Articles or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
16. Subject to the Acts and these Articles, the Board may at any time after the allotment of shares but not 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 condition as the Board considers fit to impose.

SHARE CERTIFICATES

17. Every person (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) whose name is entered as a holder of any shares in the Register is entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A Member (except such a nominee as aforesaid) who has transferred part of the shares is entitled to a certificate for the balance without charge.
18. Every certificate will be:-
 - 18.1 issued (in the case of an issue of shares) within one month (or such longer period as the terms of the issue provide) after allotment or (in the case of a transfer of fully paid shares) within fourteen days after lodgment of a transfer with the Company, not being a transfer which the Company is for the time being entitled to refuse to register and does not register; and
 - 18.2 under the Seal and will specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificate by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
19. If a share certificate is worn out, defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in the case of defaced or worn out certificates, on delivery of the old certificate to the Company.

LIEN

20. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable in respect of such share. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in

respect thereof. The Board may at any time, generally or in any particular case waive any lien that has arisen or declare any share exempt in whole or in part from the provisions of this Article.

21. Subject to these Articles the Company may sell, in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen clear days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default, has been served on the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
22. The net proceeds of the sale shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred 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 in or invalidity of the proceedings relating to the sale.

CALLS ON SHARES

23. Subject to these Articles and to the terms of allotment the Board may make calls upon the Members in respect of any moneys unpaid on their shares (whether in respect of nominal amount or premium), and each Member shall (subject to being given at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by such notice the amount called on his shares. A call may be postponed or revoked in whole or in part as the Board determines.
24. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
25. A person upon whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent per annum) as the Board may agree to accept, but the Board may waive payment of such interest wholly or in part.
27. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
28. Subject to the terms of allotment on the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
29. The Board may receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and upon all

or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate, which (unless the Company by ordinary resolution otherwise directs) shall not exceed twelve per cent per annum, as the Member paying such sum and the Board agree.

FORFEITURE OF SHARES

30. If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice:-

30.1 requiring payment of the amount unpaid together with any interest which may have accrued;

30.2 stating a place at which payment is to be made; and

30.3 stating that if the notice is not complied with the shares on which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends before the forfeiture declared but not actually paid on the forfeited shares.

31. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such notice.

32. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture will include surrender.

33. Until cancelled in accordance with the requirements of the Acts, a forfeited share will be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

34. A person whose share has been forfeited shall cease to be a Member in respect of them but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share, with interest thereon from the date of forfeiture until payment at such rate (not exceeding fifteen per cent per annum) as the Board determines. The Board may enforce payment without any allowance for the value of the forfeited share.

35. A statutory declaration by a director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, or disposal of the share.

TRANSFER OF SHARES

36. Subject to these Articles, any Member may transfer all or any of his shares by an instrument of transfer in any usual form or in any other form approved by the Board.
37. The instrument of transfer shall be executed by or on behalf of the transferor and, in the case of a partly paid share, by the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the Register in respect thereof.
38. The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register:-
- 38.1 a transfer of any share which is not a fully paid share;
 - 38.2 a transfer of a share on which the Company has a lien;
 - 38.3 a transfer in favour of more than four persons jointly;
 - 38.4 a transfer which relates to shares of more than one class; and
 - 38.5 a transfer which is not duly stamped, lodged at the Office, or at such other place as the Board may from time to time determine and (save in respect of a transfer by a Stock Exchange Nominee, the lodgment of share certificates in relation to which will only be necessary if, and to the extent that, certificates, if any, have been issued in respect of the shares in question) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
39. If the Board refuses to register a transfer of a share, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal, as required by section 183(5) of the 1985 Act.
40. Subject to section 358 of the 1985 Act, the registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Board may determine.
41. No fee shall be charged for the registration of any transfer or other document relating to or affecting the title to any share, or for otherwise making any entry in the Registers relating to any share.
42. All registered transfers will be retained by the Company, but all others shall (except in any case of fraud) be returned to the person depositing them.

TRANSMISSION OF SHARES

43. If a Member dies the survivor, or survivors where the deceased was a joint holder, and his representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Article will release the estate of a deceased Member from any liability in respect of any share which had been jointly held by him.
44. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have

some person nominated by him registered as the transferee. If he elects to become the holder he shall notify the Company to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Articles relating to the transfer of shares shall apply to the notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

45. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he shall not be entitled in respect of that share to receive notices of or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise in respect of any share any of the rights or privileges of a Member until he shall have become a member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONVERSION OF SHARES INTO STOCK

46. The Company may by Ordinary Resolution convert any of its fully paid up shares into stock of the same class as the shares so converted and re-convert such stock into fully paid up shares of the same class and of any denomination.
- 46.1 The several holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations, and as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances permit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- 46.2 The several holders of such stock shall, according to the amount of stock held by them in the class thereof, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing shares, have conferred that privilege or advantage.
- 46.3 Such of the provisions of these Articles as are applicable to fully paid up shares shall apply to stock, in other words "share" and "shareholders" therein shall include "stock" and "stockholder".

UNTRACED MEMBERS

47. The Company may sell at the best price reasonably obtainable the shares of a Member or the shares to which a person is entitled by means of transmission if and provided that:
- 47.1 During the period of twelve years all warrants and cheques sent by the Company through the post in a prepaid letter addressed to the Member at his registered address or to the person so entitled at the address shown in the Register as his address have remained uncashed; and
- 47.2 the Company shall, at the end of such period of twelve years, advertise both in a leading daily newspaper published in London and in a newspaper

circulating in the area of the said address giving notice of its intentions to sell the said shares; and

- 47.3 during such period of twelve years and the period of three months following such advertisements the Company has had no indication that such member or person can be traced; and

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such shares or any of them and such instrument of transfer shall be as effective as if it has been executed by the registered holder of or person entitled by transmission to such shares. A statutory declaration in writing that the declarant is a director or Secretary of the Company and that a share has been duly sold on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company shall account to the Member or other person entitled to such shares for the net proceeds of such 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 to such shares shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such aggregate 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 Board may from time to time determine.

DISCLOSURE OF INTERESTS IN SHARES

48. Where any registered holder of any shares in the Company or any named person in respect of any shares in the Company fails to comply within twenty eight days with any notice (in this Article called a "statutory notice") given by the Company under section 212 of the 1985 Act requiring him to give particulars of any interest in any such shares, the Company may give the registered holder of such shares a notice (in this Article called a "disenfranchisement notice") stating or to the effect that such shares shall from the service of such disenfranchisement notice confer on such registered holder no right to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of the shares of that class until the statutory notice has been complied with and such shares shall confer no right to attend or vote accordingly. For the purposes of this Article a "named person" means a person named as having an interest in the shares concerned in any response to any statutory notice served on the registered holder or on a person previously so named. A disenfranchisement notice may be cancelled by the Board at any time and shall automatically cease to have effect in respect of any share transferred upon registration of the relevant transfer.

GENERAL MEETINGS

49. Each general meeting, other than an Annual General Meeting, will be called an Extraordinary General Meeting.
50. The Board may call General Meetings and, on the requisition of Members pursuant to the provisions of the Acts, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than seven weeks after receipt of the requisition. If there are not, within the United Kingdom, sufficient directors to form a quorum, any director or any two Members may call an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

51. An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution shall be called by not less than twenty-one clear days' notice in writing. All other Extraordinary General Meetings may be called by not less than fourteen clear days' notice in writing but a General Meeting may be called by shorter notice if it is so agreed:-
- 51.1 in the case of a meeting called as an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- 51.2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than ninety five per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting, and the general nature of the business to be transacted. The notice convening an Annual General Meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to the directors and the auditors.

52. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) to send such instrument of proxy to, or the non-receipt of such notice or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

53. No business shall be transacted at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as provided in relation to an adjourned meeting, two Members entitled to vote and be present in person or by proxy or (in the case of a corporation) by a duly authorised officer shall be a quorum for all purposes.
54. If within thirty minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and places as the Board may determine. If at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, one person entitled to be counted in a quorum present at the meeting shall be a quorum.
55. The chairman, if any, of the Board or, in his absence the deputy chairman, if any, shall preside as chairman at every general meeting. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time appointed for holding the meeting, or if, none of them are willing to act as chairman, the directors present shall choose one of their number to act, or if one director only is present he shall preside as chairman if willing to act. If no director is present, or if each of the directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.

56. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall be unnecessary to give notice of an adjournment.
57. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the Chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTING

1. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, on a show of hands every Member present in person shall have one vote and on a poll every Member present in person or by proxy shall have one vote for every share of which he is the holder. A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:-
- 58.1 by the chairman; or
 - 58.2 by at least two Members entitled to vote at the meeting; or
 - 58.3 by a Member or Members representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
 - 58.4 by a Member or Members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right;
- and a demand by a person as proxy for a member shall be the same as a demand by a Member.
59. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or not carried by a particular majority or lost and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.
60. If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
61. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than thirty days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the

meeting at which it is demanded. In any other case at least seven days notice shall be given specifying the time and place at which the poll is to be taken.

62. If a poll is duly demanded the Chairman may (and, if so directed by the Meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
63. On a poll votes may be given either personally or by proxy.
64. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
65. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a casting vote in addition to any other vote he may have.
66. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
67. A Member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such Court, and such receiver, committee, curator bonus or other person may vote on a poll by proxy, and may otherwise act and be treated as such Member for the purposes of general meetings.
68. No Member shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
69. If:-
 - 69.1 any objection shall be raised to the qualification of any voter; or
 - 69.2 any votes have been counted which ought not to have been counted or which might have been rejected; or
 - 69.3 any votes are not counted which ought to have been counted,the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.
70. Any corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative in the meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

PROXIES

71. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
72. A proxy need not be a Member
73. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be delivered at the office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll, or where the poll is not taken forthwith but it taken not more than forty-eight hours after it was demanded, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.
74. Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument or proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
75. A Vote given or poll demanded in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place in the United Kingdom as may be specified for the delivery of instruments or proxy in the notice convening the meeting or other document sent therewith) one hour at least before the commencing of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

NUMBER OF DIRECTORS

76. Unless and until otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) will be not more than 10 nor less than 2 in number.
77. Subject to these Articles, the Company may by ordinary resolution elect any person

to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

78. Without prejudice to the power of the Company in general meeting in pursuance of any of these Articles to appoint any person to be a director, the Board may at any time and from time to time appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any director so appointed by the Board shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the directors or the number of directors who are to retire by rotation at such meeting.
79. A resolution for the election of two or more persons as Directors by simple resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.
80. The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the Acts, remove any director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.
81. No person other than a director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of director at any general meeting unless, not less than 7 and not more than twenty-one clear days before the day appointed for the meeting, there has been given to the Secretary notice in writing by some Member (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

DISQUALIFICATION OF DIRECTORS

82. The office of a director shall be vacated if:-
- 82.1 he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
 - 82.2 he is, or may be, suffering from mental disorder and either:-
 - 82.2.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
 - 82.2.2 an order is made by a court having jurisdiction (in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - 82.3 without leave, he is absent from meetings of the Board (whether or not an alternate director appointed by him attends) for six consecutive months, and

the Board resolves that his office be vacated; or

82.4 he becomes bankrupt or makes any arrangement or composition with his creditors;

82.5 he is prohibited by law from being a director; or

82.6 he ceases to be a director by virtue of the Acts or is removed from office pursuant to these Articles.

83 No person shall be disqualified from being appointed a director and no director shall be required to vacate that office by reason only of the fact that he has attained the age of seventy years or any other age, nor shall it be necessary to give special notice under the Acts of any resolution appointing, re-appointing or approving the appointment of a director by reason of his age.

ROTATION OF DIRECTORS

84 At every Annual General Meeting one-third of the directors for the time being or, if their number is not 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 close of the meeting. This Article shall not operate so as to require directors who have been appointed as executive directors pursuant to Article 89 to retire from office.

85 The directors to retire on each occasion include so far as necessary to obtain the number required any director who wishes to retire and not offer himself for re-election and any further directors to retire shall be those who have been longest in office since their last election. As between persons who became or were re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Director after the date of such notice but before the close of the meeting.

86 A retiring director shall be eligible for re-election.

87 Subject to these Articles, the Company at the meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

EXECUTIVE DIRECTORS

88 The Board may from time to time appoint one or more of its body to be a managing director, joint managing director or assistant managing director or to hold any other employment or executive office with the Company (an "executive director") for such period (subject to the Acts) and upon such terms as the Board may determine and may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such director may have against the Company or the Company may have against such director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Not more than three executive directors may hold office at any one time.

- 89 The salary or remuneration of any managing director or executive director of the Company, shall, subject as provided in any contract, be such as the Board may from time to time determine, and may be a fixed sum of money, salary, commission, participation in profits or otherwise, and 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 Board determine.

ALTERNATE DIRECTORS

- 90 Any director (other than an alternate director) may appoint any person to be his alternate director and may at his discretion remove such alternate director. If such alternate director is not another director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board. An alternate director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the director appointing him and shall be entitled to such extent to attend and vote as a director at any such meeting at which the director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director.
- 91 Every person acting as an alternate director shall (except as regards power to appoint an alternate director and remuneration) be subject in all respects to the provisions of these Articles relating to directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the director appointing him. An alternate director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director.
- 92 Every person acting as alternate director shall have one vote for each director for whom he acts as alternate (in addition to his own vote if he is also a director). The signature of an alternate director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- 93 An alternate director shall ipso facto cease to be an alternate director if his appointor ceases for any reason to be a director provided that, if at any meeting any director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES.

- 94 In addition to any remuneration paid payable to any of them pursuant to any other Article the directors shall be paid such additional remuneration as shall from time to time be determined by the Company in General Meeting. Such remuneration shall be divided among them in the proportions specified by the Company in General Meeting or, failing specification, in such proportions and in such manner as they shall agree or, in default of such agreement, equally.
- 95 Each director may be paid all travelling, hotel and incidental expenses properly incurred by him in attending meetings of the Board or committees of the Board or

general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a director. Any director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

DIRECTORS' INTERESTS

96 A director may:-

- 96.1 hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period and subject to section 319 of the 1985 Act upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;
- 96.2 act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm may be remunerated for professional services as if he were not a director;
- 96.3 be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

A director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms hereof, or the termination thereof).

97 Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each director and in such case each of the directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the director owns one per cent or more.

98 Subject to the Acts and to Article 105 no director or proposed 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 whatever, nor shall any such contract or any other contract or

arrangement in which any director is in any way interested be liable to be avoided, nor 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.

99. 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 Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the Board by a director to the effect that:-

- 99.1 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 that company or firm; or
- 99.2 he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him,

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

100. Save as otherwise provided by these Articles, a director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement in which he is to his knowledge materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any of the following matters namely:-

- 100.1 any contract or arrangement for giving to such director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the company;
- 100.2 any contract or arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the director has himself guaranteed or secured in whole or in part;
- 100.3 any contract or arrangement by a director to subscribe for shares, debentures or other securities of the Company issued or to be issued pursuant to any offer or invitation to Members or debenture holders of the Company or any class thereof or to the public or any section thereof, or to underwrite any shares, debentures or other securities of the Company;
- 100.4 any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- 100.5 any contract or arrangement concerning any other company (not being a company in which the director owns one per cent or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- 100.6 any proposal concerning the adoption, modification or operation of a pension

fund or retirement death or disability benefits scheme which relates both to directors and employees of the company or of any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates;

- 100.7 any arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the director benefits in a similar manner as the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom such arrangement relates.

101 For the purposes of Articles 98 to 103 inclusive:-

- 101.1 A company shall be deemed to be a company in which a director owns one per cent or more if and so long as (but only if and so long as) he is (either directly or indirectly) the holder of or beneficially interested in or he and any person with whom he is connected within section 346 of the 1985 Act are the holders of or are beneficially interested in one per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this Article there shall be disregarded any shares held by a director as bare or custodian trustee and in which he has no beneficial interest, and shares comprised in a trust in which the director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the director is interested only as a unit holder.

- 101.2 Where a company in which a director holds one per cent or more is materially interested in a transaction, then that director shall also be deemed materially interested in such transaction.

- 101.3 If any question shall arise at any meeting of the Board as to the materiality of the interest of a director (other than the chairman of the meeting) or so as to the entitlement of any director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other director shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned as known to such director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting such question shall be decided by resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

- 102 The Company may by ordinary resolution suspend or relax the provisions of Article 102 to any extent or ratify any transaction not duly authorised by reason of a contravention of Articles 97 to 101 inclusive.

GENERAL POWERS OF THE DIRECTORS

- 103 The business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Acts or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Acts and of these Articles and to such regulations, being not inconsistent with

such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

- 104 The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegations may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.
- 105 The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 106 The Board may entrust to and confer upon any director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
- 107 Subject to the Acts, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it determines respecting the keeping of any such register.
- 108 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

PENSIONS

- 109 On behalf of the Company the Board may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any director or former director or the relations, connections or dependants of any director or former director provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a director or former director who has not been an Executive director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of such a director or former director without the approval of an ordinary resolution of the Company. A director or former director

shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

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

BORROWING POWERS

111. The Board may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Acts, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligations of the Company or of any third party.
112. If any director or any person shall become personally liable for the payment of any sum primarily due from the Company the directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the director or person so becoming liable from any loss in respect of such liability.
113. If any uncalled capital of the company is included in or charged by any mortgage or other security, the directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the Members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors, and shall be assignable if expressed so to be.

PROCEEDINGS OF THE DIRECTORS

114. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote. A director may, and the Secretary on the requisition of a director shall, at any time summon a Board meeting.
115. Notice of a Board meeting shall be deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A director absent or intending to be absent from the United Kingdom may request the Board that notices of board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but in the absence of any such request it shall not be necessary to give notice of a Board meeting to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively.
116. The quorum necessary for the transaction of the business of the Board may be fixed

by the Board and, unless so fixed at any other number, shall be two. Any director who ceases to be a director at a Board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the Board meeting if no other director objects and if otherwise a quorum of directors would not be present.

- 117 The continuing directors or a sole continuing director may act notwithstanding any vacancy in the Board but, if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing directors or director, notwithstanding that the number of directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.
- 118 The Board may elect a chairman and one or more deputy chairmen of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting. The Board may elect a president and determine the period for which the president is to hold such office.
- 119 A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 120 The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit provided that less than one half of the members of the committee comprise co-opted members who are not directors of the Company. The Board may revoke any such delegation and discharge a committee in whole or in part. A resolution of a committee shall not be effective unless a majority of the members of the committee present at the meeting and voting are directors of the Company. Save as aforesaid, any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- 121 Subject to but without prejudice to the generality of Article 122 the Board may appoint and delegate to a remuneration committee its rights and powers as referred to in Articles 90 and 95 including such rights and powers to determine the remuneration and fees of the directors.
- 122 The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.
- 123 123.1 A resolution in writing signed by all the directors for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the Members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form (including documents transmitted or received by facsimile, cable, telegram or telex), each signed by one or more of the directors or members of the committee concerned.

123.2 Any director or member of a committee of the directors may participate in a meeting of the directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting shall be deemed to constitute presence in person at such meeting.

124 All acts done by the Board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of such committee.

MINUTES

125 The Board shall cause minutes to be made:-

125.1 of all appointments of officers made by the Board;

125.2 of the names of the directors present at each meeting of the Board or committee of the Board; and

125.3 of all resolutions and proceedings at all meetings of the Company, or any class of shares in the Company, of the Board and of any committee of the Board.

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

SECRETARY

126 The Secretary shall be appointed by the Board for such term at such remuneration and upon such conditions as it determines, and any Secretary so appointed may be removed by the Board.

127 A provision of the Acts 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 or to the same person acting both as director and as, or in place of, the Secretary.

SEAL

128 The Board shall provide for the custody of every Seal. A Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Articles, any instrument to which the common seal is affixed shall be signed by one or more directors and the Secretary or by two or more directors, and any instrument to which an official seal is affixed need not, unless the Board for the time being otherwise determines or the law otherwise requires, be signed by any person.

129 The Company may exercise all the powers conferred by the Acts with regard to having official seals, and such powers shall be vested in the Board.

AUTHENTICATION OF DOCUMENTS

130 Any director or the Secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any

resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if 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 so appointed by the Board. 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 Board or any committee which is so certified 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 minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS AND OTHER PAYMENTS

- 131 Subject to the Acts, the Company in general meeting may from time to time declare dividends to be paid to the Members according to their rights and interest in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board.
- 132 Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:-
- 132.1 all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share; and
- 132.2 all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 133 The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such position, in the opinion of the Board, justifies such payment.
- 134 The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 135 No dividend or other moneys payable by the Company or in respect of any shares shall bear interest against the Company.
- 136 Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holder may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or properly distributable in respect of the shares held by such joint holders.

- 137 Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
- 138 Any general meeting declaring a dividend may by ordinary resolution, upon the recommendation of the Board, direct payment or satisfaction 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 Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

RESERVES

- 139 Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profit of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to distribute.

CAPITALISATION

- 140 The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.
- 141 The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under Article 142 and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract

necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

RECORD DATES

- 142 Notwithstanding any other provision of these Articles the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

ACCOUNTING RECORDS

- 143 The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Acts.
- 144 The accounting records shall be kept at the Office or, subject to the Acts, at such other place or places as the Board decides and shall always be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board.
- 145 A copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditor's report, shall be sent to each person entitled thereto in accordance with the requirements of the Acts and copies shall also be sent in appropriate numbers to The Stock Exchange in accordance with its regulations and practice.

AUDITORS

- 146 Auditors shall be appointed and their duties regulated in accordance with the Acts.

NOTICES

- 147 Any notice or other document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid. In the case of joint holders of a share, service or delivery of any notice or other document the person who is first named on the Register shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.
- 148 Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.
- 149 Any such notice or other document, if sent by first class prepaid post, shall be deemed to have been served or delivered on the day after the day when it was put in the post and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed stamped and put in the post. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.

- 150 Any notice or other document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 151 A notice exhibited at the Office shall be deemed to have been duly given to any member who under any provision of these Articles is not entitled to notices from the Company.
- 152 Except as otherwise expressly provided in these Articles, any notice required to be given by the Company to a member shall be sufficiently given if given by advertisement. Any notice required to be, or which may be given, by advertisement shall be advertised once in a leading daily national newspaper.
- 153 Notice of every general meeting must be sent by post as provided in these Articles except that if postal services in the United Kingdom are suspended or curtailed so that the Company is unable effectively to convene a general meeting by notice sent through the post, then a general meeting may be convened by notice advertised in at least two national daily newspapers with appropriate circulation one of which shall be a leading national daily newspaper. If it becomes possible to give notice by post at least 48 hours before the meeting then the Company shall send a duplicate notice by post.
- 154 Any document to be served on a member, other than a notice, may be served in the same manner as for a notice and, in a case where a notice might be given by exhibition at the office or by advertisement in a newspaper, such document shall be deemed to be duly served if it is available for him at the Office, and a notice to that effect is exhibited at the Office or advertised in a newspaper as required by these Articles.

DESTRUCTION OF DOCUMENTS

- 155 The Company may destroy:-
- 155.1 any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- 155.2 any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate variation cancellation or notification was recorded by the Company;
- 155.3 any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- 155.4 any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that

every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-

- (1) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (2) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and
- (3) references in this Article to the destruction of any document include references to its disposal in any manner.

PROVISION FOR EMPLOYEES

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Powers conferred upon the Company by Section 719 of the 1985 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 any subsidiary shall only be exercised by the Company with the prior sanction of a special resolution. If at any time the capital of the Company is made up of classes of shares with different rights attaching to them, the exercise of such powers aforesaid shall be deemed to be an alteration of the rights attached to each class of shares and shall accordingly require either:-

- (1) prior consent in writing of the holders of three-fourths of the issued shares; or
- (2) the prior sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares, for each class, in accordance with the provisions of Article 11 hereof.

WINDING UP

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If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Acts and subject to any provisions sanctioned by ordinary resolution of the Company under section 719 of the 1985 Act (without prejudice to section 187 of the Insolvency Act 1986), divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purposes, set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other assets upon which there is any liability. Without prejudice to section 187 of the Insolvency Act 1986, the liquidator may make any provision referred to in and sanctioned in accordance with section 719 thereof.

INDEMNITY AND INSURANCE

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- (1) In accordance with section 310 of the Companies Act 1985 and without limiting the powers of the Company, the Company shall indemnify each person who is, or who has been a director, executive officer, employee,

auditor or secretary of the Company against any liability which results directly or indirectly from facts or circumstances relating to the person serving or having served in that capacity:

- (a) to any person (other than the Company or related corporate body), whether or not arising from a prior contingent liability, which does not arise out of negligence, default, breach of duty or breach of trust in relation to the Company;
 - (b) for costs and expenses incurred by the person in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted, or in connection with any application in relation to such proceedings in which the court grants relief to the person under the law.
- (2) The Company need not indemnify a person as provided for in paragraph (1) in respect of a liability to the extent that the person is entitled to an indemnity in respect of that liability under a contract of insurance.
 - (3) In accordance with section 310 of the Companies Act 1985 and without limiting the powers of the Company, the Board of Directors may authorise the Company to enter into any insurance policy for the benefit of any person who is, or who has been, a director, executive officer, employee, auditor, secretary or other officer of the Company, which indemnity or insurance policy may be in such terms as the Board approves and in particular, may apply to acts or omissions prior to or after the time of entering into the indemnity or policy.
 - (4) The benefit of each indemnity given in paragraph (1) continues, even after its terms or the terms of this paragraph are modified or deleted, in respect of the liability arising out of acts or omissions occurring prior to the modification or deletion.