

No. 61880



THE COMPANIES ACTS 1862 to 1898  
THE COMPANIES ACT 1985

---

COMPANY LIMITED BY SHARES

---

**MEMORANDUM OF ASSOCIATION**  
(Incorporating amendments to 10th August 1998)

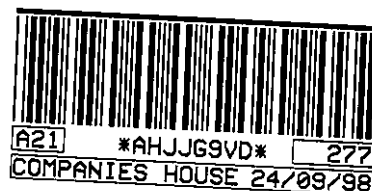
AND

**NEW ARTICLES OF ASSOCIATION**  
(Adopted by Special Resolution passed on 15th July 1985  
altered by Special Resolution passed on 25th September 1986  
altered by Special Resolution passed on 1st June 1992  
altered by Special Resolution passed on 24th June 1998  
altered by Special Resolution passed on 10th August 1998  
and noting changes to share capital to 23rd September 1998)

OF

**WALKER GREENBANK PLC**  
(Name changed by Special Resolution passed on 25th September 1986)

Incorporated the 3rd day of May



THE COMPANIES ACTS, 1862 to 1898  
THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

**WALKER GREENBANK PLC**

(Name changed by Special Resolution passed on 25th September 1986)  
(Incorporating amendments to 10th August 1998)

- 1.\* The name of the Company is "WALKER GREENBANK PLC".
2. The Company is to be a public company.
3. The registered office of the Company will be situate in England and Wales.
4. The objects for which the Company is established are:-
  - (1) To co-ordinate and manage, through the holding of shares, securities and interests in subsidiary or other companies, or any other bodies, firms, undertakings, enterprises or associations, the business, activities and affairs thereof respectively; to incorporate or in any way acquire the whole or any part of the share or loan capital of or any other interest in any other company, body, firm, undertaking, enterprise or association the acquisition of an interest wherein may appear to be beneficial to the interests of the Company; to finance and aid all or any such companies or others as aforesaid by loans, guarantees, subvention payments or otherwise; to invest the moneys of the Company in or otherwise to acquire and hold for investment shares, stocks, debentures, debenture stock, securities and investments of all kinds issued or guaranteed by any company, corporation, governmental or other authority, trust, firm, body or person constituted or carrying on business in any part of the world and to acquire and hold for investment real and personal property of any description or kind; and generally to carry out the functions of a Group Holding Company but so that nothing herein contained shall permit the Company to traffic in investments or property or to deal in or dispose of the same save in connection with and for the purpose of carrying on the primary business of the Company of holding and

---

\* NOTE The name of the Company was original C. & W. Walker Limited. By a Special Resolution passed on 15th July 1966 the name was changed to C. & W. Walker Holdings Limited, on 23rd March 1982 the name was changed to C. & W. Walker Holdings PLC. and by Special Resolution passed on 25th September 1986 the name was changed to Walker Greenbank PLC.

managing investments and property and managing and co-ordinating the affairs of the various companies and other bodies in which the Company is interested.

- (2) To carry on the business of gas engineers gas plant manufacturers iron founders mechanical engineers and manufacturers of agricultural implements and other machinery tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths wood workers buildings painters metallurgists electrical engineers manufacturing chemists water supply engineers gasmakers carriers and merchants and to buy sell manufacture and repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any other business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of any of the Company's property and rights for the time being.
- (3) To carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other material which may be usefully or conveniently combined with the engineering or manufacturing business of the Company or any contracts undertaken by the Company and either for the purpose only of such contracts or as an independent business.
- (4) To undertake and execute any contracts for works involving the supply or use of any machinery and to carry out any ancillary or other works comprised in such contracts.
- (5) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
- (6) To apply for purchase or otherwise acquire any patents brevets d'invention licenses concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit this Company and to use exercise develop or grant licenses in respect of or otherwise turn to account the property rights or information so acquired.
- (7) To enter into partnership or into any arrangements for sharing profits union of interests co-operation joint adventure reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to lend money to guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell hold reissue with or without guarantee or otherwise deal with the same.

- (8) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (9) To enter into any arrangements with any Governments or authorities supreme municipal local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights privileges and concessions which the Company may think it desirable to obtain and to carry out exercise and comply with any such arrangements rights privileges and concessions.
- (10) To establish and support or aid in the establishment and support of associations institutions funds trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business or the dependants or connexions of such persons and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public general or useful object.
- (11) To promote any company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (12) Generally to purchase take on lease or in exchange hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land buildings easements licenses patents machinery rolling stock plant and stock-in-trade.
- (13) To construct maintain and alter any buildings or works necessary or convenient for the purposes of the Company.
- (14) To construct improve maintain work manage carry out or control any roads ways tramways railways branches or sidings bridges reservoirs watercourses wharves manufactories warehouses electric works shops stores and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute to subsidise or otherwise assist or take part in the construction improvement maintenance working management carrying out or control thereof.
- (15) To lend money to such persons and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons.
- (16) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (17) To borrow or raise or secure the payment of money in such other manner as the Company shall think fit and in particular by the issue of debentures or debenture stock perpetual or otherwise charged upon all or any of the Company's property

(both present and future) including its uncalled capital and to redeem or pay off any such securities.

- (18) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debenture or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
- (19) to draw make accept endorse discount execute and issue promissory notes bills of exchange bills of lading warrants debentures and other negotiable or transferable instruments.
- (20) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (21) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press by circulars by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes rewards and donations.
- (22) To obtain any Provisional Order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (23) To procure the Company to be registered or recognised in any foreign country or place.
- (24) To sell improve manage develop exchange lease mortgage dispose of turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (25) To do all or any of the above things in any part of the world and as principals agents contractors trustees or otherwise and by or through their agents trustees or otherwise and either alone or in conjunction with others.
- (26) To develop and turn to account any land acquired by the Company or in which it is interested and in particular to lay out the same for building purposes to build on construct alter pull down decorate maintain fit up improve buildings and conveniences and to plant pave drain cultivate and to let on building leases advance money to persons building on and otherwise develop the same in such manner as may seem expedient to advance the Company's interests.
- (27) To amalgamate with any other company having objects altogether or in part similar to those of this Company.
- (28) To do all such other things as are incidental or conducive to the attainment of the above objects.

(29) And it is hereby declared that the word "Company" in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and the intention is that the objects specified in each paragraph of the clause shall except where otherwise explained in such paragraph be in no wise restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

5. The liability of the Members is limited.

6.\* The capital of the Company is £43,006,569.17 divided into 85,261,802 ordinary shares of 1 pence each, 984,552 cumulative convertible redeemable preference shares of 25 pence each and 119,736,609 B shares of 35 pence each.

\*NOTE:

By Ordinary Resolution dated the 19th day of December 1917 the capital of the Company was increased from £100,000 to £150,000 by the creation of 50,000 additional Ordinary shares of £1 each.

By Ordinary Resolution dated the 27th day of May 1954 the capital of the Company was increased from £150,000 to £300,000 by the creation of 600,000 additional Ordinary shares of 5/- each.

By Ordinary Resolution dated the 22nd day of June 1971 the capital of the Company was increased from £300,000 to £800,000 by the creation of 2,000,000 additional Ordinary Shares of 25p each.

#### MINUTE APPROVED BY THE COURT

The capital of C. & W. Walker Holdings Limited was by virtue of a Special Resolution of the Company and with the sanction of an Order of the High Court of Justice dated the 25th July, 1977 reduced from £800,000 divided into 50,000 5.25 per cent. non-cumulative participating Preference Shares of £1 each and 3,000,000 Ordinary Shares of 25p each to £750,000 divided into 3,000,000 Ordinary Shares of 25p each.

By Ordinary Resolution passed on 28th June 1979 the authorised share capital of the Company was increased to £1,500,000 by the creation of 3,000,000 new Ordinary Shares of 25p.

#### MINUTE APPROVED BY THE COURT

The capital of C. & W. Walker Holdings PLC. was by virtue of a Special Resolution of the Company and with the sanction of an Order of the High Court of Justice dated the 5th November 1984 reduced from £1,500,000 divided into 6,000,000 Ordinary Shares of 25p each to £1,098,360.60 divided into 1,983,606 Ordinary Shares of 25p each and 4,016,394 Ordinary Shares of 15p each.

By Ordinary Resolutions passed on 11th January 1985

- (a) the 1,983,606 unissued Ordinary Shares of 25p each in the capital of the Company were subdivided into 9,918,030 Ordinary Shares of 5p each
- (b) every three of the 9,918,030 Ordinary Shares of 5p each resulting from such subdivision were consolidated into one Ordinary Share of 15p
- (c) the capital of the Company was increased from £1,098,360.60 to £1,500,000 by the creation of 2,677,596 new Ordinary Shares of 15p each

By Ordinary Resolution passed on 1st February 1986 the authorised share capital of the Company was increased from £1,500,000 to £4,500,000 by the creation of 20,000,000 new Ordinary Shares of 15p each.

By Special Resolution passed on 25th September 1986 the authorised share capital of the Company was increased from £4,500,000 to £10,500,000 by the creation of 30,000,000 new Ordinary Shares of 15p each and 6,000,000 Cumulative Convertible Redeemable Preference Shares of 25p each.

By Ordinary Resolution passed on 30th January 1987 the authorised share capital of the Company was increased from £10,500,000 to £11,250,000 by the creation of £5,000,000 new Ordinary Shares of 15p each.

By Ordinary Resolution passed on 11th June 1987 the authorised share capital of the Company was increased from £11,250,000 to £13,500,000 by the creation of 15,000,000 new Ordinary Shares of 15p each.

By Ordinary Resolution passed on 3rd September 1987 the authorised share capital of the Company was increased from £13,500,000 to £18,000,000 by the creation of 30,000,000 new Ordinary Shares of 15p each.

By Ordinary Resolution passed on 24th June 1992 the authorised share capital of the Company was increased from £18,000,000 to £22,500,000 by the creation of 30,000,000 new Ordinary Shares of 15p each.

By Ordinary Resolution passed on 24th May 1995 the authorised share capital of the Company was increased from £22,500,000 to £27,000,000 by the creation of 30,000,000 new Ordinary Shares of 15p each.

By Special Resolution passed on 10th August 1998 the authorised share capital of the Company was increased from £27,000,000 to £45,750,000 by the creation of 125,000,000 new Ordinary Shares of 15p each.

By Special Resolution passed on 10th August 1998:

- (a) £24,499,952.40 of the existing authorised but unissued ordinary share capital of the Company was consolidated and sub-divided into 119,736,609 undesignated shares of  $20 \frac{6}{13}$  pence each and one unclassified share of the nominal amount of the fraction so remaining;
- (b) each issued Ordinary Share of 15p and each undesignated share of  $20 \frac{6}{13}$  pence was consolidated into one share of  $35 \frac{6}{13}$  pence;

- (c) each share of 35  $\frac{6}{13}$  pence resulting from such consolidation was sub-divided into one share of 35 pence and one share of  $\frac{6}{13}$  pence;
- (d) each share of  $\frac{6}{13}$  pence resulting from such sub-division was sub-divided into 6 shares of  $\frac{1}{13}$  pence each;
- (e) every 13 shares of  $\frac{1}{13}$  pence each resulting from such sub-division was consolidated into one new Ordinary Share of 1 pence;
- (f) 2,000,000 authorised but unissued Ordinary Shares of 15 pence each were sub-divided into 30,000,000 new Ordinary Shares of 1 pence each; and
- (g) the whole of the authorised but unissued share capital of the Company, other than the 30,000,000 Ordinary Shares of 1 pence each in (f) above, were cancelled.



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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber
THOMAS PALIN, Ivy House, Trent, Wellington, Salop Iron Works Manager	One Ordinary
WALTER WILLIAM MARTIN, Muxton, Nr Newport, Salop Engineer	One Ordinary
EDWIN GEORGE DICKINSON, Muxton, Nr Newport, Salop Engineer	One Ordinary
CHARLES HORNE, Newport, Salop Journalist	One Preference
LAUHLAN ROSE, Newport, Salop Surgeon	One Ordinary
WILLIAM WRIGHT DERINGTON, Newport, Salop Gentleman	One Ordinary
ROBERT FARMAN Newport, Salop Gentleman	One Preference
Total Shares taken	Seven

DATED this 1st day of May, 1899.

WITNESS to the above signatures:-

H G U ELLIOTT  
Solicitor  
Newport, Salop

Company Number: 61880

THE COMPANIES ACTS 1862 TO 1898

THE COMPANIES ACT 1985

---

COMPANY LIMITED BY SHARES

---

**NEW**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**WALKER GREENBANK PLC**

(name changed by Special Resolution passed on 25th September 1986)

(adopted by Special Resolution passed on 15th July 1985  
as altered by Special Resolution passed on 25th September 1986  
and noting changes to share capital made to 24th June 1992  
and as altered by Special Resolution passed on 1st June 1994  
and as altered by Special Resolution passed on 10th August 1998  
and as altered by Special Resolution passed on 23rd September 1998)

**PRELIMINARY**

1. The regulations in Table A in the First Schedule to the Companies Act 1862 shall not apply to the Company.
2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column.

**WORDS**

**MEANINGS**

<b>“the Statute”</b>	means the Companies Act 1985.
<b>“these Articles”</b>	means these Articles of Association as from time to time altered by special resolution.
<b>“the Board”</b>	the Directors or any of them acting as the Board of Directors of the Company.
<b>“the Auditors”</b>	the auditors for the time being of the Company.
<b>“the Group”</b>	the Company and all of its Subsidiaries for the time being.
<b>“Subsidiary”</b>	a subsidiary company within the meaning contained in Section 736 of the Statute.
<b>“the Register”</b>	the register of members of the Company.

<b>“the Office”</b>	the registered office of the Company.
<b>“the Transfer Office”</b>	the place where the Register is situate for the time being.
<b>“the Seal”</b>	the common seal of the Company.
<b>“the United Kingdom”</b>	Great Britain and Northern Ireland.
<b>“month”</b>	calendar month.
<b>“year”</b>	year from 1st January to 31st December inclusive.
<b>“in writing”</b>	written, or produced by any visible substitute for writing, or partly one and partly another.
<b>“dividend”</b>	dividend or bonus.
<b>“paid”</b>	paid or credited as paid.
<b>“Special Conversion Date”</b>	30 September 1998 or such later date as the Company shall announce to the London Stock Exchange provided that the Special Conversion Date shall not be later than the day falling 14 days after the date upon which the later of the Extraordinary General Meeting and the Preference Share Class Meeting (each as defined in the Enhanced Conversion Option Circular) (or any adjournment thereof) shall have been held.
<b>“Enhanced Conversion Option Circular”</b>	the circular issued by the Company to its shareholders dated 28th August 1998.
<b>“Enhanced Conversion Option Notice”</b>	the notice contained in Part II of the Enhanced Conversion Option Circular pursuant to which the Company gave notice to the holders of Convertible Preference Shares of an additional one-time right, subject to certain conditions, to convert their Convertible Preference Shares into Ordinary Shares on the Special Conversion Date.

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

The expression “Secretary” shall include a joint, temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary.

Save as aforesaid any words or expressions defined in the Statute shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

All references in these Articles to the Statute, to any section or provision of the Statute or to any other statute or statutory provision shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.

## SHARE CAPITAL

### CAPITAL

\* 3(A) The share capital of the Company is £43,006,569.17 divided into 85,261,802 ordinary shares of 1 pence each ("Ordinary Shares"), 984,552 cumulative convertible redeemable preference shares of 25p each ("Convertible Preference Shares") and 119,736,609 B shares of 35 pence each ("B Shares");

\*\* 3(B) The rights and privileges and limitations and restrictions attaching to the Convertible Preference Shares are as follows:-

#### (1) Income and Capital

- (a) The holders of the Convertible Preference Shares shall be entitled to receive out of the profits of the Company available for distribution and resolved to be distributed (in priority to any payment of dividend to the holders of any other class of shares of the Company) a fixed cumulative preferential dividend at the rate of 6.5p per share per annum (net) such dividend to be payable half-yearly in arrears by two equal instalments on 2nd February, and 1st August in each year, PROVIDED THAT the first dividend will be payable on 2nd February, 1987 in respect of the period commencing 21 days after the date on which an offer made on behalf of the company for the whole of the issued share capital of Greenbank Group PLC becomes unconditional with respect to the Preference Election comprised therein and ending on 2nd February, 1987.
- (b) The holders of the Convertible Preference Shares shall (subject to the provisions of Article 3(B)(2)(e) below) be entitled on a winding up or other repayment of capital (otherwise than on redemption of the Convertible Preference Shares pursuant to Article 3(B)(4) below or any other redemption of capital duly authorised pursuant to Article 3(B)(4) below) to receive in priority to any payment to the holders of any other class of shares of the Company out of the assets available for distribution the amount paid up or credited as paid up thereon plus a premium of 75p per share together with a sum equal to any arrears or accruals of the fixed preferential dividend calculated down to the date of such repayment of capital and to be payable whether or not such dividend has been declared or earned. The holders of the B Shares shall next be entitled to an amount determined pursuant to Article 3(C)(2) below. The holders of the Ordinary Shares shall next be entitled to a sum equal to the nominal value paid up or credited as paid up on each such share after which the holders of

---

\* As amended by Resolutions passed on 30th January 1987, 11th June 1987, 3rd September 1987, 24th June 1992, 24th May 1995 and 10th August 1998.

\*\* Substituted by Special Resolution passed on 25th September 1986.

the Ordinary Shares shall be entitled to £1,000 per Ordinary Share. The balance, if any, of the assets available for distribution shall be divided between the holders of the Convertible Preference Shares and the holders of the Ordinary Shares and the holders of the Deferred Shares (if any are in existence) and the holders of the B Deferred Shares (if any are in existence) on the basis that for every 1p paid in respect of each Convertible Preference Share there shall be paid £1 in respect of each Ordinary Share until a sum equal to the nominal amount paid up or credited as paid up on each Ordinary Share together with the sum of £5,000 has been paid on each Ordinary Share and an additional payment of £50 has been paid on each Convertible Preference Share after which the holders of the Deferred Shares (if any are in existence) shall be entitled to the nominal capital paid up on such Deferred Shares pursuant to Article 3(B)(2)(h)(iii) below after which the holders of the B Deferred Shares (if any are in existence) shall be entitled to the nominal capital paid up or credited as paid up on such B Deferred Shares pursuant to Article 3(C)(4)(b) below after which the balance, if any, shall be divided between the holders of the Convertible Preference Shares and the holders of the Ordinary Shares on the aforementioned basis.

- (c) The Convertible Preference Shares shall carry no further right to participate in the profits or assets of the Company.

(2) **Conversion**

- (a) In each of the years 1988 to 2005 inclusive each holder of Convertible Preference Shares shall have the right to convert all or any part of his holding of Convertible Preference Shares into fully paid Ordinary Shares of the Company at the rate of 8.28 Ordinary Shares for every 5 Convertible Preference Shares in respect of any Convertible Preference Share to be converted on a day other than the Special Conversion Date, and at the rate of 8.694 Ordinary Shares for every 5 Convertible Preference Shares in respect of any Convertible Preference Share to be converted on the Special Conversion Date (the "Special Conversion Rate") and the following provisions shall apply to such conversion:-
  - (i) The conversion rights shall be exercisable by notice in writing to the Company (a "Conversion Notice") to be received during the month of August in any of the years 1988 to 2005 inclusive or during such other period determined in accordance with the provisions of Article 3(B)(2)(a)(iv) below or during the period commencing on the date of the Enhanced Conversion Option Notice and ending on the Enhanced Conversion Option Closing Date (as defined in the Enhanced Conversion Option Circular) (each such period being hereinafter referred to as a "Conversion Period" and the last day of a Conversion Period other than that ending on the Enhanced Conversion Option Closing Date being hereinafter referred to as a "Conversion Date").
  - (ii) Save as set out below in this Article 3(B)(2)(a)(ii), to be effective a Conversion Notice must be given either by completion of the form set out on the reverse of the relevant share certificate or certificates and delivery of such certificate or certificates, or by completion and delivery of such other form of notice as the Directors may approve, to the office of the Company's registrars during a Conversion Period together with such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising the right to convert. A Conversion Notice once given shall not be capable of being

withdrawn without the consent in writing of the Company. For the purposes of these Articles a Special Notice of Conversion (as defined in the Enhanced Conversion Option Circular) shall constitute the Conversion Notice in respect of the relative Convertible Preference Shares and no other notice shall be required from any holder of Convertible Preference Shares in respect of any election to convert such shares on the Special Conversion Date or be effective for such purpose. Any Special Notice of Conversion shall be valid only if it complies with the requirements and instructions therein and in the Enhanced Conversion Option Notice (save to the extent that the Company waives compliance with all or any of the provisions thereof or treats as valid any Special Notice of Conversion and/or instructions relative thereto not complete in all respects or not complying with the requirements and instructions thereof). The entitlement of holders of Convertible Preference Shares to convert any Convertible Preference Shares on the Special Conversion Date shall not extend to any such holder who shall not have delivered on or before the Enhanced Conversion Option Closing Date a Special Notice of Conversion.

- (iii) Conversion of the Convertible Preference Shares may be effected in such manner permitted by law as the Directors shall from time to time determine and, without prejudice to the generality of the foregoing, may be effected by the redemption at the same time of Convertible Preference Shares in accordance with Article 3(B)(2)(h) below.
- (iv) If, in any of the years 1988 to 2005 inclusive, the audited consolidated accounts of the Company for the last completed financial period shall not be despatched to the holders of the Convertible Preference Shares on or before 31st July, then the Conversion Period shall be the period of 30 days next following the date of despatch of such accounts.
- (v) The Company shall give to the holders of the Convertible Preference Shares notice in writing not less than 28 nor more than 56 days prior to the commencement of the Conversion Period in any year reminding them of their right to convert and stating the rate of conversion applicable and such a notice shall give the name and address of the Company's registrars provided that the Company shall not be required to give any notice to holders of Convertible Preference Shares of their rights to convert any Convertible Preference Shares on the Special Conversion Date, such notice being deemed to have been given in the Enhanced Conversion Option Notice.
- (vi) The Company shall not later than the expiration of 28 days next following the relevant Conversion Date or the Special Conversion Date (if applicable), despatch certificates for the Ordinary Shares resulting from conversion and, if appropriate, certificates for any balance of the Convertible Preference Shares remaining unconverted to the holders entitled thereto.
- (vii) If any fractions of an Ordinary Share shall arise on conversion, the Ordinary Shares representing such fractions will be aggregated and sold and the net proceeds of sale will be distributed pro rata among the persons entitled thereto except that entitlements of less than £2 will not be so distributed but will be retained for the benefit of the Company.

- (b) The fixed cumulative preferential dividend on the Convertible Preference Shares which are converted shall cease to accrue with effect from the last date preceding the relevant Conversion Date or the Special Conversion Date (if applicable) on which such dividend was payable in accordance with Article 3(B)(1)(a) above.
- (c) Any Ordinary Shares resulting from such conversion shall carry the right to receive all dividends and other distributions declared, made or paid thereon by reference to a record date on or after the relevant Conversion Date or the Special Conversion Date (if applicable).
- (d) If:-
  - (i) while any of the Convertible Preference Shares remains capable of conversion an offer is made to the holders of the Ordinary Share capital of the Company (or all such shareholders other than the offeror and/or any body corporate controlled by the offeror and/or any persons acting in concert with the offeror) to acquire the whole or any part of such issued Ordinary Share capital; and
  - (ii) the Company becomes aware that the right to cast more than 50 per cent of the votes which may ordinarily be cast on a poll at a General Meeting of the Company has or will become vested in the offeror and/or such body corporate or persons as aforesaid, the Company shall give written notice to all holders of the Convertible Preference Shares of such vesting within 14 days of its becoming so aware and each such holder shall be entitled within the period of 42 days from the date of such notice to convert some or all of his Convertible Preference Shares into fully paid Ordinary Shares on the basis set out in Article 3(B)(2)(a) above, except that the Conversion Period shall be the said period of 42 days and the Conversion Date in respect of any particular Convertible Preference Share shall be the day on which the Company shall have received the relevant share certificate with a duly completed Conversion Notice. At the expiration of the said period of 42 days any outstanding Convertible Preference Shares shall cease to be capable of conversion.
- (e) If, while any of the Convertible Preference Shares remains capable of conversion, the Company is placed in liquidation, the Company shall forthwith give notice thereof in writing to the holders of the Convertible Preference Shares and each such holder shall in respect of all or any of his Convertible Preference Shares be entitled within 42 days after the date of the resolution for winding up the Company or (as the case may be) after the date of the Court Order for such winding up (either of such dates being referred to in this Article 3(B)(2)(e) as the "operative date") by notice in writing to the Company to elect to be treated as if his conversion rights had been exercisable and had been exercised on the day immediately preceding the operative date on the basis set out in Article 3(B)(2)(a) above and in that event he shall be entitled to be paid in satisfaction of the amount due in respect of such of his Convertible Preference Shares as are to be treated as converted a sum equal to the amount to which he would have become entitled on such liquidation if he had been the holder of the Ordinary Shares to which he would have become entitled by virtue of such conversion together with any arrears of the fixed cumulative preferential dividend on such Convertible Preference Shares calculated to the last date prior to the day immediately preceding the operative date on which such dividend was payable in accordance with Article 3(B)(1)(a) above. At the expiration of the said period of 42

days any outstanding Convertible Preference Shares shall cease to be capable of conversion.

- (f) If, while any of the Convertible Preference Shares remains capable of conversion, the Company makes to holders of the Ordinary Share capital any issue of fully paid Ordinary Share capital pursuant to a capitalisation of profits or reserves (including share premium account and capital redemption reserve), the conversion rate shall with effect immediately after the record date for such capitalisation issue be adjusted so that the nominal amount of Ordinary Share capital issued per £100 nominal of Convertible Preference Shares converted (and pro rata for any other amount of Convertible Preference Share capital) shall be increased proportionately.
- (g) If, while any of the Convertible Preference Shares remains capable of conversion, the Company makes any offer of Ordinary Share capital for which a listing on The Stock Exchange is obtained by way of rights to holders of the Ordinary Share capital (the shares so offered being hereinafter referred to as the "new shares") then on the occasion of each such offer the conversion rate shall be adjusted so that the nominal amount of Ordinary Share capital to be issued per £100 nominal of Convertible Preference Shares converted (and pro rata for any other amount of Convertible Preference Share capital) shall be increased by an amount equal to:-

$$\frac{A \times B}{B + C}$$

where:

- (i) A equals the nominal amount (expressed in pence) of the new shares (including any fraction of a new share) which would have been offered to a holder of £100 nominal of Convertible Preference Shares had his conversion rights been exercisable and exercised in full immediately before the record date for such offer at the conversion rate then applicable;
  - (ii) B equals the price per share (expressed in pence) at which the new shares are being offered to holders of the Ordinary Share capital; and
  - (iii) C equals the average of the middle market quotations (expressed in pence) on The Stock Exchange (based on the Stock Exchange Daily Official List) for the new shares nil paid during the period in which the new shares are dealt in on The Stock Exchange, nil paid.
- (h) Conversion of the Convertible Preference Shares may be effected in such manner as the Board shall from time to time determine (subject to the provisions of the Statute (as amended)) and without prejudice to the generality of the foregoing may be effected in accordance with the provisions set out below:-
- (i) The Directors may determine to effect conversion by the redemption of the Convertible Preference Shares at a price of 100p per share. In the case of a conversion effected by means of the redemption of Convertible Preference Shares the Board may effect redemption of the relevant Convertible Preference Shares out of profits of the Company which would otherwise be available for dividends, out of the proceeds of a fresh issue of shares made for the purpose of such redemption or in any other manner for the time being permitted by law. In the case of redemption out of such profits the Board shall apply the



redemption monies in the name of the holder of the Convertible Preference Shares to be converted in subscribing for the appropriate nominal amount of fully paid Ordinary Share capital at such premium (if any) as shall represent the amount by which the redemption monies exceed the nominal amount of the Ordinary Share capital to be subscribed. In the case of redemption out of the proceeds of a fresh issue of shares the Board may arrange for the issue of the appropriate nominal amount of Ordinary Share capital to some person selected by the Board on terms that such person will:-

- (a) subscribe for such Ordinary Share capital at par or at such premium as shall be necessary to provide the redemption monies for redemption at the price of 100p per share of the relevant Convertible Preference Shares; and
- (b) renounce the allotment of such Ordinary Share capital in favour of the holder of the relevant Convertible Preference Shares against payment to such subscriber by the Company of the redemption monies in respect of the Convertible Preference Shares to be redeemed.

Any allotment of Ordinary Share capital pursuant to this Article 3(B)(2)(h) shall be made within 14 days of the relevant Conversion Date.

- (ii) The Directors may determine to effect the conversion by means of consolidation and sub-division. Consolidation and sub-division shall be effected by consolidating the Convertible Preference Shares held by a shareholder which are subject to a Conversion Notice into one share (the "Consolidated Share") and by sub-dividing such Consolidated Share into Ordinary Shares of 1 pence each on the basis of 8.28 (or, if applicable, 8.694) Ordinary Shares of 1 pence each for every 125 pence in the nominal value of the Consolidated Share (and so on up to the nominal amount of the Consolidated Share). Any fractional entitlements to Ordinary Shares shall be dealt with in accordance with sub-paragraph 3(B)(2)(a)(vii) and the balance of the nominal amount of the Consolidated Share shall be non-voting deferred shares (the "Deferred Shares") of 1 penny each having the rights set out in paragraph 3(B)(2)(h)(iii).
- (iii) In the case of a conversion effected by means of consolidation and sub-division as provided for in sub-paragraph 3(B)(2)(h)(ii), the holders of Deferred Shares arising therefrom shall be entitled on a return of capital on winding-up or otherwise only to repayment of the amounts paid up on such shares after repayment of the capital paid up together with any premiums and arrears or accruals of preferential dividends on the Ordinary Shares, Convertible Preference Shares or Cumulative Redeemable Preference Shares (if any are in existence) and B Shares (if any are in existence) and the additional payment of £5,000 on each such Ordinary Share and £50 on each such Convertible Preference or Cumulative Redeemable Preference Share. The holders of Deferred Shares shall not be entitled to any dividend nor to any rights to participate in the profits or assets of the Company nor to receive notice of or attend or vote at any general meeting of the Company. Such conversion shall be deemed to convey an irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holders of Deferred Shares a transfer thereof to such a person as the Company may

determine as custodian and/or on the Company to purchase or cancel the same (in accordance with the Statute (as amended)) in any such case for not more than one penny for all the Deferred Shares without need to obtain the sanction of the holders thereof. Pending such transfer and/or purchase the Company may retain the certificate for such Deferred Shares and the Company may at its option at any time after the creation of the Deferred Shares redeem all the Deferred Shares then in issue at a price not exceeding one penny for all the Deferred Shares redeemed at any one time upon giving the registered shareholders of such shares not less than 28 days' previous notice in writing of its intention so to do and fixing a time and place for the redemption. The Deferred Shares will not be listed on The Stock Exchange.

- (i) So soon as at least 75 per cent. of the Convertible Preference Shares then or at any time previously in issue shall have been converted pursuant to the provisions hereof, the Company shall be entitled at any time within 30 days after the Conversion Date or the Special Conversion Date on which the said percentage is first reached to give to the holders of the Convertible Preference Shares which have not then been converted not less than 28 days' notice in writing of that fact and on the date of expiration of such notice (which shall be regarded as a Conversion Date) the holders of such Convertible Preference Shares shall be treated as having exercised their conversion rights in respect of all their Convertible Preference Shares and the foregoing provisions hereof relating to conversion shall *mutatis mutandis* apply (and, for the avoidance of doubt, such conversion shall be at the rate of 8.28 Ordinary Shares for every 5 Convertible Preference Shares).
- (j) The Company shall make application to the Council of The Stock Exchange for, and use its best endeavours to obtain, not later than 14 days after the relevant Conversion Date or the Special Conversion Date (if applicable), the admission to the Official List of all Ordinary Shares arising from conversion of any Convertible Preference Shares.
- (k) On the day after the last day on which any Convertible Preference Shares may be converted any Convertible Preference Shares then unconverted shall automatically be redesignated as Cumulative Redeemable Preference Shares of 25p each.

(3) **Voting**

The Convertible Preference Shares shall entitle the holders thereof to receive notice of every General Meeting of the Company, but they shall only confer upon such holders limited voting rights and shall not entitle the holders thereof to attend or vote at any such General Meeting unless at the date of the notice convening the meeting the dividend on such shares is six months or more in arrear (and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Article 3(B)(1)(a) above) or unless a resolution is to be proposed at such meeting for the winding up of the Company, the reduction of its share capital or any abrogation or variation of any of the rights or privileges of the holders of the Convertible Preference Shares and in any such event the holders thereof shall be entitled to attend and vote at any such General Meeting and on a show of hands each holder of Convertible Preference Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote and on a poll each such shareholder who is present in person or by proxy shall either be entitled to exercise the number of votes which he would have been entitled to exercise if all the Convertible Preference Shares held by him had been converted into

Ordinary Share capital at the conversion rate then applicable or, after the last Conversion Date, shall be entitled to one vote per Convertible Preference Share held by him.

**(4) Redemption and Purchase**

- (a) The Company shall (subject to the provisions of the Statute and to Article 3(B)(4)(c) below) be entitled at any time after the Convertible Preference Shares cease to be capable of conversion to redeem all or any (to be selected by drawings) of the Convertible Preference Shares then remaining unconverted out of any profits or monies of the Company which may lawfully be applied for that purpose on the following terms:
- (i) The Company shall cause any drawing of Convertible Preference Shares to be made at the Office or at such other place and in such manner as the Directors of the Company may determine.
  - (ii) Following any such drawing the Company shall give not less than three months' notice in writing to each of the holders of Convertible Preference Shares any of whose shares are to be redeemed of the date fixed by the Company for redemption of his shares (the "Redemption Date"), stating the number of his shares due for redemption and naming the place of payment of the redemption monies and for delivery to the Company of the certificates relating thereto.
  - (iii) On the Redemption Date the Company shall be entitled and bound to redeem the Convertible Preference Shares in respect of which such notice has been given and the relevant holders of the Convertible Preference Shares shall be bound to deliver to the Company at the place named in the notice the certificate or certificates for their shares and upon such delivery and against the receipt of the shareholder for the redemption monies payable in respect of his Convertible Preference Shares the Company shall pay to the shareholder the redemption monies payable to him in respect of such redemption.
  - (iv) The Company shall in the case of a redemption in full cancel the share certificate or certificates of the shareholder concerned and in the case of a redemption of part of the Convertible Preference Shares included in a certificate or certificates either enface a memorandum of the amount and date of the redemption on such certificate or certificates or issue to the shareholder a fresh certificate for the balance of the Convertible Preference Shares not redeemed on that occasion.
- (b) Subject to the provisions of the Statute the Company shall be at liberty at any time after the Convertible Preference Shares cease to be capable of conversion to redeem any such shares for the time being outstanding by the purchase thereof in the market or by tender (available to all holders alike) or by private treaty in each case at a price not exceeding 100p per share, exclusive of any dividend accrued thereon, stamp duty, commission and other expenses.
- (c) The Company shall (subject to the provisions of the Statute) in any event redeem on 31st August, 2006 all of the Convertible Preference Shares then remaining

outstanding, out of the profits or monies of the Company which may lawfully be applied for that purpose.

- (d) If any holder of Convertible Preference Shares whose shares are liable to be redeemed under this Article 3(B)(4) shall fail or refuse to deliver up the certificate for his shares, the Company may retain the redemption monies until delivery up of the certificate or of an indemnity in respect thereof satisfactory to the Company but shall within seven days thereafter pay the redemption monies to such holder.
- (e) There shall be paid on each Convertible Preference Share redeemed the amount paid up or credited as paid up thereon together with a premium of 75p per share and together also with a sum equal to any arrears or accruals of the fixed cumulative preferential dividend thereon calculated down to the Redemption Date relating to such share and to be payable whether or not such dividend has been declared or earned.
- (f) Dividends shall cease to accrue as from the relevant Redemption Date on any Convertible Preference Share due to be redeemed unless upon the presentation of the certificate relating thereto the Company fails to make payment of the monies due on such redemption in which case dividends shall be deemed to have continued and shall continue to accrue from such Redemption Date to the date of payment.
- (g) The receipt of the registered holder for the time being of any Convertible Preference Shares or in the case of joint registered holders the receipt of any of them for the monies payable on redemption thereof shall constitute an absolute discharge to the Company in respect thereof.

**(5) Restrictions on the Company**

The following shall be deemed to be a variation of the rights attached to the Convertible Preference Shares and, notwithstanding any provisions in the Company's Articles of Association, shall be prohibited except with the consent or sanction of the holders of the Convertible Preference Shares given in accordance with the provisions of Article 4 below:-

- (a) the alteration of Article 4 (regarding variation of rights);
- (b) any infringement of the limit on borrowings contained in Article 93 below or the alteration of Article 93;
- (c) the creation or issue of any further shares ranking as regards participation in the profits or assets of the Company in priority to the Convertible Preference Shares or the grant by the Company of any rights to subscribe for, or to convert shares or other securities into, share capital ranking in priority to the Convertible Preference Shares as regards participation in the profits or assets of the Company;
- (d) so long as any Convertible Preference Shares remain capable of conversion:-
  - (i) the passing of any resolution whereby the rights attached to the Ordinary Share capital of the Company shall be varied or modified or whereby the Company's share capital or any uncalled liability thereon or the amount for the time being standing to the credit of its share premium account

shall be reduced in any manner for which the consent of the Court would be required;

- (ii) the making by the Company of any offer or invitation to the holders of the Ordinary Share capital of the Company by reference to a record date during a Conversion Period;
- (iii) without prejudice to sub-paragraph (ii) above, the making by the Company of any offer or invitation by way of rights or otherwise (not falling within Article 3(B)(2)(g) above) to the holders of the Ordinary Share capital of the Company unless the Company procures that there is made a like offer or invitation at the same time to each holder of Convertible Preference Shares as if his conversion rights had been exercisable and exercised in full on the record date for such offer or invitation;
- (iv) any change in the accounting reference date of the Company for the purpose of the Statute from a date falling within 4 days of 31st January or 31st December;
- (v) the application by the Company by way of capitalisation of any profits or reserves (including share premium account and capital redemption reserve) of any sums in or towards paying up any share capital (whether issued or unissued) or any debenture or debenture stock (whether secured or unsecured) except by way of a capitalisation issue made only to holders of the Ordinary Share capital in the form of fully paid Ordinary Shares;
- (vi) the creation or issue by the Company, or the agreement by the Company to create or issue, any relevant shares (as defined by Section 80 of the Statute) which are not in all respects uniform with the Ordinary Share capital of the Company then in issue or with the Convertible Preference Shares then in issue save:-
  - (a) as to the date from which such shares shall rank for dividend;
  - (b) as to restriction on voting rights;
  - (c) for relevant shares issued pursuant to an offer or invitation extended to the holders of the Convertible Preference Shares pursuant to Article 3(B)(5)(d)(iii) above; or
  - (d) for relevant shares issued to employees of the Company or its subsidiaries pursuant to any scheme from time to time approved by the Company in general meeting;
- (vii) the declaration or payment by the Company of any dividend on the Ordinary Share capital of the Company in respect of any financial year by reference to a record date prior to the Conversion Date in that financial year;
- (viii) any redemption or purchase by the Company of any part of its share capital other than on redemption of the Convertible Preference Shares;

- (ix) the passing of any resolution to wind-up the Company; and
- (x) the doing of any act or thing by the Company resulting in an adjustment of the conversion rate if in consequence such rate would involve the issue of more than 15p nominal of Ordinary Share capital for every 15p nominal of Convertible Preference Shares converted.

**(6) Documents**

While any of the Convertible Preference Shares remains capable of conversion, the Company shall send to the holders of the Convertible Preference Shares a copy of every document sent to the holders of Ordinary Shares at the same time as it is sent to such holders.

<sup>13</sup>(C) The rights and privileges and limitations and restrictions attaching to the B Shares are as follows:

**(1) Income**

- (a) Out of the profits available for distribution in respect of each financial year or other accounting period of the Company, the holders of the B Shares shall be entitled, after the payment of any dividends due to any holders of Convertible Preference Shares but in priority to any payment of dividend to the holders of any Ordinary Shares, to be paid a non-cumulative preferential dividend (the "B Dividend") per share at such rate (exclusive of any associated tax credit relating thereto) as is calculated in accordance with Articles 3(C)(1)(b), (c) and (d) below on the nominal value thereof, such dividend to be paid in arrears on 1 March, 1 June, 1 September and 1 December in each calendar year (subject to Article 3(C)(1)(d)), the first such payment to be made on 1 September 1998 (or if any such date would otherwise fall on a date which is not a business day (as defined below) it shall be postponed to the next day which is a business day (without any interest or payment in respect of such delay)) (each a "Payment Date").
- (b) The rate per annum of the B Dividend shall be 80% of the London inter-bank offered rate per annum for three month deposits in Pounds Sterling calculated as follows. Each three monthly period ending on 1 March, 1 June, 1 September and 1 December is called a "Calculation Period". Subject to Article 3(C)(1)(d) below, for each Calculation Period, the rate of the B Dividend shall be 20% of the London inter-bank offered rate per annum for three month deposits in Pounds Sterling which appears on the display designated as page 3750 on the Telerate Monitor (or such other page or service as may replace it for the purpose of displaying London inter-bank offered rates of leading banks for three month deposits in Pounds Sterling as determined by the Reference Agent) at or about 11:00am (London time) on the first day of such Calculation Period.
- (c) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then Articles 3(C)(1)(b) above shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded upward, if

---

<sup>1</sup> Substituted by Special Resolution passed on 10 August 1998

necessary, to the nearest  $\frac{1}{16}\%$  of the rates (being at least two) which so appear, as determined by the Reference Agent. If for any other reason such offered rates do not so appear, or if the relevant page is unavailable, the Company (or its Reference Agent) will request each of the banks whose offered rates would have been used for the purposes of the relevant page (as determined by the Reference Agent) through its principal London office (the "Reference Banks") to provide the Company (or such agent) with its offered quotation to leading banks for three month deposits in Pounds Sterling for the Calculation Period concerned in London at or about 11:00am (London time) on the first date of such Calculation Period. The rate for such Calculation Period shall be the arithmetic mean (rounded upward, if necessary, to the nearest  $\frac{1}{16}\%$ ) of such quotations (or such of them, being at least two, as are so provided), as determined by the Reference Agent.

- (d) In the event that the Company exercises its rights of conversion pursuant to Article 3(C)(4) below, the period commencing on the date following the Payment Date preceding the B Conversion Date (as defined below) or, if the B Conversion Date is prior to 2 September 1998, the date following the first issue of the B Shares and ending on such B Conversion Date, is called the "Final Calculation Period" and the B Dividend in respect of such period shall be paid in arrears on the final business day of such period (the "Final Payment Date"). In respect of the Final Calculation Period (if any), the rate of the B Dividend shall be calculated in accordance with Articles 3(C)(1)(b) and (c) above as if the references therein to Calculation Period were (unless the context otherwise requires) references to the Final Calculation Period and as if the reference to 20% in Article 3(C)(1)(b) above were to A (expressed as a percentage) where A is calculated in accordance with the following formula:

$$A = 80 \times \frac{B}{365}$$

Where:

B is the number of days comprised in the Final Calculation Period (including the Final Payment Date).

- (e) In this Article 3(C), the expression "business day" means a day upon which Pounds Sterling may be dealt in on the London inter-bank market and commercial banks are generally open in London and "Reference Agent" means UBS AG or such other agent as the Company shall appoint from time to time.
- (f) Payments of B Dividends shall be made to holders on the register of members of the Company on a date selected by the directors being not less than 15 days nor more than 42 days (or, in default of selection by the directors, the date falling 15 days) prior to the relevant Payment Date.
- (g) The holders of the B Shares shall not be entitled to any further right of participation in the profits of the Company.
- (h) Subject to the payment of the B Dividend and to the rights attached to any other share or class of share, the holders of the Ordinary Shares shall be

entitled to be paid any further profits of the Company available for distribution and determined to be paid.

## (2) Capital

- (a) On a return of capital on a winding-up or otherwise (except on redemption in accordance with the terms of issue of any share or purchase by the Company of a share or on a capitalisation issue), after the distribution in full to the holders of Convertible Preference Shares of the amount paid up or credited as paid up thereon plus a premium of 75p per Convertible Preference Share together with a sum equal to any arrears or accruals of the fixed cumulative preferential dividend calculated down to the date of such repayment of capital, there shall be paid to each holder of the B Shares, in respect of each B Share held by him, the sum in pence equal to:

$$35 \times \left(1 + \left(C \times \frac{D}{365}\right)\right)$$

where:

C is 80% of LIBOR (as defined below), expressed as a percentage; and

D is the number of days comprised in the period (the "Relevant Period") commencing on the date following the Payment Date preceding the date of the return of capital or, if the date of the return of capital is prior to 2 September 1998, the date following the first issue of the B Shares and ending on the date of such return of capital.

For these purposes, LIBOR shall mean the London inter-bank offered rate per annum for three month deposits in Pounds Sterling to be determined in accordance with Articles 3(C)(1)(b) and (c) above as if the references therein to Calculation Period were (unless the context otherwise requires) references to the Relevant Period.

The holders of the B Shares shall not be entitled to any further right of participation in the assets of the Company. If on a return of capital on a winding-up or otherwise the amounts available for payment are insufficient to cover in full the amounts payable on the B Shares, the holders of such shares will share rateably in the distribution of assets (if any) in proportion to the full preferential amounts to which they are entitled.

## (3) Voting and General Meetings

- (a) The holders of the B Shares shall not be entitled, in respect of their holdings of such shares, to receive notice of any general meeting of the Company or to attend, speak or vote at any such general meeting unless the business of the meeting includes the consideration of a resolution for the winding-up of the Company in which case the holders of the B Shares shall have the right to receive notice of such general meeting and to attend such general meeting and shall be entitled to speak and vote only on such resolution. Whenever the holders of the B Shares are entitled to vote at a general meeting of the Company upon any such resolution proposed at such general meeting, on a



show of hands, or on a poll, every holder thereof who (being an individual) is present in person or (being a corporation) by representative shall have such number of votes as he would be entitled to exercise had he been the holder of the Ordinary Shares arising if the B Shares registered in the name of such holder had been converted into Ordinary Shares immediately prior to such general meeting in accordance with Article 3(C)(4).

- (b) The holders of Ordinary Shares shall be entitled, in respect of their holdings of such shares, to receive notice of general meetings and to attend, speak and vote at such meetings in accordance with these Articles of Association.

#### **(4) Conversion into Ordinary Shares at the Company's Option**

- (a) If at any time the aggregate nominal value of the B Shares in issue is less than £10 million, the Company may, on the giving of notice in writing to the holders of the B Shares, convert all but not some only of the B Shares then in issue into Ordinary Shares and B Deferred Shares (as defined in Article 3(C)(4)(a)(i) below) on the date specified in the notice which shall not be less than 10 and not more than 42 days from the date of such notice (the "B Conversion Date") on the following basis in respect of each holding of B Shares:
  - (i) every  $z$  B Shares held as at the opening of business on the B Conversion Date shall be consolidated into one undesignated share having a nominal value equivalent to  $(z \times 35 \text{ pence})$ , where  $z$  equals the highest whole number by which 35 pence divides into the average closing market price of an Ordinary Share as shown in the London Stock Exchange Daily Official List for the five business days prior to the B Conversion Date, provided that no member shall be entitled to a fraction of a share and all fractional entitlements arising out of such consolidation (namely, those arising by reason of there being less than  $z$  shares, or less than  $z$  shares remaining, in any holding as at the opening of business on the B Conversion Date to convert into an undesignated share) shall be consolidated and the share so resulting shall be sub-divided and redesignated as (1) such whole number of Ordinary Shares as have an aggregate value at the average closing market price of an Ordinary Share as shown in the London Stock Exchange Daily Official List for the five business days prior to the B Conversion Date as is most nearly equivalent to but not exceeding the aggregate nominal value of the B Shares so consolidated, and (2) such number of deferred shares of  $\frac{1}{10}$  pence each ("B Deferred Shares") as have an aggregate nominal value equivalent to the difference between the nominal values in (1);
  - (ii) the directors shall be authorised to sell the Ordinary Shares arising from the consolidation of fractional entitlements and sub-division under Article 3(C)(4)(a)(i) above; and
  - (iii) each undesignated share resulting from the consolidation under Article 3(C)(4)(a)(i) above shall be sub-divided into one Ordinary Share and such number of B Deferred Shares as have an aggregate nominal value equivalent to the difference between 1 pence and the nominal value of the undesignated share.

- (b) The holders of the B Deferred Shares shall not be entitled to any dividend or other right to participate in the profits of the Company and shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting; and, on a return of capital or winding-up, there shall be paid to the holders of the B Deferred Shares the nominal capital paid up or credited as paid up on such B Deferred Shares, after repayment of the capital paid up on the Ordinary Shares and Convertible Preference Shares together with any premiums and arrears or accruals of preferential dividends thereon and the additional payment of £5,000 on each such Ordinary Share and £50 on each such Convertible Preference Share and the repayment of the capital paid up on the Deferred Shares (if any are in existence). The holders of the B Deferred Shares shall not be entitled to any further right of participation in the assets of the Company. The B Deferred Shares shall not, save as is referred to in Article 3(C)(4)(d) below, be transferable.
- (c) The reduction of capital paid up on the B Deferred Shares (including any cancellation for no consideration) and/or the creation or issue of further shares in the capital of the Company ranking in priority for payment of dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the B Deferred Shares shall be deemed not to vary or abrogate the rights attaching to the B Deferred Shares.
- (d) The consolidation and sub-division under Article 3(C)(4)(a) above shall be deemed to confer irrevocable authority on the Company at any time thereafter to do all or any of the following without obtaining the sanction of the holder or holders of the B Deferred Shares:
- (i) to appoint any person to execute, on behalf of any holder of B Deferred Shares, a transfer of all or any thereof and/or an agreement to transfer the same (without making any payment therefor) to such person as the directors may determine (whether or not an officer of the Company) and who is willing to accept the same;
  - (ii) to purchase all or any of the same in accordance with the Act without obtaining any further consent of the holders thereof and in consideration of the payment to each of the holders whose shares are purchased an amount equal to one penny in respect of all the B Deferred Shares then being purchased from him or her;
  - (iii) for the purposes of any such purchase, to appoint any person to execute on behalf of any holder of B Deferred Shares a contract for the sale to the Company of any such B Deferred Shares held by him or her;
  - (iv) to cancel all or any of the same so purchased in accordance with the Act; and
  - (v) pending any such transfer, purchase or cancellation, to retain the certificates for all or any of the B Deferred Shares.
- (e) The B Deferred Shares will not be listed on any stock exchange. Upon or after the purchase of any B Deferred Shares in accordance with this Article 3(C)(4),

the directors may consolidate and/or sub-divide and/or convert, and/or re-classify the authorised B Deferred Share capital of the Company existing following such purchase (A) into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount as the shares of such other class and/or (B) into unclassified shares.

- (f) The accidental omission to give notice of conversion of the B Shares to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the conversion of the B Shares into Ordinary Shares and B Deferred Shares as referred to above.

#### (5) **Class Rights and General**

- (a) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with, in priority to or deferred to the B Shares, and such creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares and whether or not the same confer on the holders voting rights more favourable than those conferred by the B Shares) shall be deemed not to vary the rights attaching to the B Shares for any purpose.
- (b) The reduction of capital paid up on the B Shares shall be deemed not to vary the rights attaching to the B Shares, and the Company shall be authorised at any time to reduce its capital (subject to confirmation by the Court and otherwise in accordance with the Act but without obtaining the consent of the holders of the B Shares) by paying to the holders of the B Shares the preferential amounts to which they are entitled under Article 3(C)(2).
- (c) Subject to the provisions of the Act the Company may purchase any shares in the capital of the Company without the sanction by an extraordinary resolution passed at a separate meeting of, or the consent of, the holders of the B Shares.

### **VARIATION OF RIGHTS**

- 4. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of such holders (but not otherwise). All the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply to every such separate meeting except that:-
  - (1) the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class or, at any adjourned meeting of such holders, the member or members who are present in person or by proxy, whatever his or their holdings; and
  - (2) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

5. The special rights conferred upon the holders of any shares or class of shares shall, unless otherwise provided, be deemed to be varied by a reduction of capital paid up on the shares but shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto. The special rights conferred on the holders of ordinary shares shall be deemed not to be varied by the creation or issue of any further shares ranking in priority thereto nor shall any consent in writing nor any sanction of the holders of ordinary shares be required under the foregoing Article to any variation or abrogation effected by a resolution on which only the holders of ordinary shares are entitled to vote.

## SHARES

6. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
7. Subject to the Statute and to any resolution of the Company in general meeting, all unissued shares of the Company shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, on such terms and at such times as it may think fit.
8. (1) The Board is authorised for the purposes of Section 80 of the Statute to allot (in addition to allotments in pursuance of any employees' share scheme) any shares of the Company, and rights to subscribe for or convert any security into shares of the Company, up to an aggregate nominal value of £145,080 share capital. This authority shall expire on the fifth anniversary of the date of adoption of these Articles but may from time to time be revoked, varied or renewed (subject to the Statute) by ordinary resolution of the Company. The Board may make any offer or agreement during the continuance of this authority (as originally granted or from time to time renewed) which would or might require shares to be allotted after its expiry.
- (2) The Board is, at any time while it is authorised to allot ordinary shares under Section 80 of the Statute, hereby empowered:-
- (a) to make any rights issue of ordinary shares, or of any rights to subscribe for or convert any security into ordinary shares, on terms that notwithstanding Section 89(1) of the Statute the entitlements of members whose registered addresses are in such countries outside the United Kingdom as the Board may determine, together with any ordinary shares representing fractional entitlements, may be sold for the benefit of the person entitled thereto to such persons and on such terms as the Board may think fit; and
- (b) to allot or grant for cash ordinary shares or rights to subscribe for or convert any securities into ordinary shares up to £75,000 nominal ordinary share capital to such persons and on such terms as the Board thinks fit and as if the said Section 89(1) did not apply to any such allotment or grant; the power conferred by this paragraph (2)(b) shall expire on the date of the annual general meeting next following the date of adoption of these Articles, but the Board may make any offer

or agreement during the continuance of this power (as originally granted or as from time to time renewed) which would or might require ordinary shares to be allotted after its expiry.

The powers conferred by this paragraph (2) may from time to time be revoked, varied or renewed by special resolution of the Company.

9. Subject to the Statute, the Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company are to be liable, to be redeemed. The special resolution sanctioning any such issue shall also make such alterations to these Articles as may be necessary to specify the terms on which and the manner in which any such shares shall be redeemed.
10. (1) Subject to the Statute, the Company is authorised to purchase its own shares (including any redeemable shares).  
  
(2) In the case of the purchase of redeemable shares the maximum price payable shall not exceed either:-
  - (a) in the case of a purchase by means of an offer made available for acceptance by shareholders generally (a "purchase by tender") the average of the middle market quotations taken from the Stock Exchange Official List on each of the 10 business days prior to the date of the purchase or,
  - (b) in the case of a purchase through the Stock Exchange other than a purchase by tender, the market price of the time of purchase, or 105% of the average of the said quotations for each of the 10 business days preceding the date of purchase, whichever is the lesser.  
(3) In the case of a purchase by tender of redeemable shares, the tender shall be available to all holders of the relevant class of shares on similar terms.
11. Pursuant to the Statute, the Board shall transfer to share premium account or to capital redemption reserve (as the case may be) sums equal to the amount or value of the premiums at which any shares of the Company may be issued or equal to the nominal value of any share capital of the Company which may be purchased or redeemed.
12. The Company may exercise the powers of paying commissions conferred by the Statute to the full extent thereby permitted. Subject to the Statute, any such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares in the Company or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## CERTIFICATES

14. Every person whose name is entered as a member in the Register (other than a stock exchange nominee as defined in Section 185(4) of the Statute unless he shall so request) shall be entitled without payment to receive one certificate for all his shares of any one class. Shares of different classes may not be included in the same certificate. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held and delivery of a certificate to one of several joint holders shall be deemed sufficient delivery to all.
15. Every certificate shall be issued under the Seal or under any official seal kept by the Company by virtue of Section 40 of the Statute and shall specify the shares to which it relates and the amount paid up thereon.
16. Where a member has transferred part only of the shares comprised in his holding, he shall be entitled to a certificate for the balance without charge.
17. If a share certificate is worn out, defaced, lost, stolen or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security and otherwise as the Board requires. In the case of loss, theft or destruction, the person to whom the new certificate is issued may be required to pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity.

## CALLS ON SHARES

18. Subject to any terms upon which any shares may have been issued, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium); provided that (subject as aforesaid) at least fourteen days' notice shall be given of every call specifying the time or times and place of payment. A call may be wholly or in part revoked or the time fixed for its payment postponed by the Board. A member shall remain liable jointly and severally with the successors in title to his shares for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be made payable by instalments.
20. Each member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at such rate as the Board determines; but the Board shall be at liberty to waive payment of such interest wholly or in part.
22. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly

made and payable on the date on which, by the terms of issue, the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interests forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

23. The Board may make arrangements on the issue of shares for a difference between the holders as to the amount of calls to be paid and the times of payment.
24. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate (unless the Company in general meeting shall otherwise direct) as may be agreed between the Board and such member.

### **LIEN ON SHARES**

25. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable thereon.
26. The Company may sell, on such terms and in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and stating the intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled to the share by reason of death bankruptcy or otherwise by operation of law.
27. The net proceeds of such sale, after payment of the costs, shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as the same is presently payable and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in the proceedings in reference to the sale.

### **FORFEITURE AND SURRENDER OF SHARES**

28. If a member fails to pay the whole or any part of any call or instalment of a call on the day appointed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs charges and expenses incurred by the Company by reason of such non-payment.
29. The notice shall name a further day and time (not being less than fourteen days from the date of service of the notice) on or before which, and the place where, the

payment required by the notice is to be made, and shall state that in the event of non-payment on or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

30. 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 the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture. The Board may accept a surrender of any share liable to be forfeited hereunder upon such terms and conditions as may be agreed and, subject to such terms and conditions, a surrendered share shall be treated as if it had been forfeited.
31. Subject to the Statute, a forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit and at any time before a sale, re-allotment or disposal, the forfeiture may be cancelled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.
32. A member whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate as the Board shall think fit from the date of forfeiture until payment; but the Board may in its absolute discretion waive payment of such interest either wholly or in part and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
33. A statutory declaration in writing that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or sold to satisfy a lien of the Company on the date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After a person shall have been registered as the holder of the share sold, re-allotted or disposed of, his title to the share shall not be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## **TRANSFER OF SHARES**

34. All transfers of shares shall be effected by transfer in writing in any usual or common form or in any other form approved by the Board.
35. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.
36. The Board may in its absolute discretion refuse to register any instrument of transfer of, or which includes, shares which are not fully paid but shall not be bound to specify the grounds upon which such registration is refused provided that, where any such shares are admitted to the Official List of the London Stock Exchange Limited,



such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

37. The Board may also refuse to register any instrument of transfer of shares unless:-
- (1) the instrument of transfer is duly stamped, is lodged at the Office or at such other place as the Board may appoint and is accompanied by the certificate of 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;
  - (2) the instrument of transfer is in respect of only one class of share; and
  - (3) in the case of a transfer to joint holders, they do not exceed four in number.
38. All instruments of transfer which are registered may be retained by the Company.
39. If the Board refuses to register a transfer, it shall give notice of such refusal to the transferee within two months after the date on which the transfer was lodged for registration.
40. The registration of transfers of shares, or of any class of shares, may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.
41. No fee shall be charged for the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.
42. (1) It shall conclusively be presumed in favour of the Company that every entry on the Register purporting to have been made on the basis of an instrument of transfer or other document destroyed by the Company was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, and that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document mentioned below so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books and records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid; provided always that:-
- (a) Six years shall have elapsed since the date of registration of the relevant instrument of transfer of shares and two years shall have elapsed since the date of recording of the relevant dividend mandate or notification of change of name or address and one year shall have elapsed since the recorded date of payment of the relevant dividend cheque or cancellation of the relevant cancelled share certificate;
  - (b) the Company is not shown to have destroyed a document in bad faith or with actual notice of any claim (regardless of the parties thereto) to which the document might be relevant.

- (2) The Company shall be entitled to destroy any such document after the relevant period referred to above but nothing herein contained shall be construed as imposing upon the Company any duty to retain any document for such period.

### TRANSMISSION OF SHARES

43. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.
44. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence as to his title being produced as may be properly required by the Board and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
45. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing a transfer of such share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the death or bankruptcy of the member or other event giving rise to the entitlement had not occurred and the notice or transfer were a transfer executed by that member.
46. Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall be entitled to receive, and may give a discharge for all dividends and other moneys payable in respect of the share, but (except with the authority of the Board) he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or to 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 or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### UNTRACEABLE SHAREHOLDERS

47. (1) The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:
- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in the next paragraph of this article (or, if published on different dates, the later thereof) at least three dividends have become payable on or in respect of the shares in question, but all dividends or other moneys payable on or in respect of such shares during such period remain unclaimed; and

- (b) the Company shall on expiry of the said period of twelve years have inserted advertisements, both in a leading London newspaper and in a newspaper circulating in the area of the address at which service of notices upon such member or other person may be effected in accordance with these presents (or, if there be no such address, the Office), giving notice of its intention to sell the said shares; and
  - (c) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received indication neither of the whereabouts nor of the existence of such member or persons; and
  - (d) notice shall have been given to the Quotations Department of The Stock Exchange in London of its intention to make such sale.
- (2) To give effect to any such sale, the Company may appoint some person to execute as transferor an instrument of transfer of the said shares, and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares, and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

## STOCK

- 48. The Company may by ordinary resolution convert any fully paid shares into stock, and re-convert any stock into fully paid shares of any denomination.
- 49. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred, or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable, provided that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- 50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings and other matters, as if they held the shares from which the stock arose.
- 51. All the provisions of these Articles applicable to fully paid shares shall apply to stock, and the word "share" shall be construed accordingly.

## **INCREASE OF CAPITAL**

52. Subject to the Statute, the Company may by ordinary resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

## **REDUCTION OF CAPITAL**

53. Subject to the Statute, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

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

54. The Company may by ordinary resolution:-

- (1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the members in respect of whose shares the fractions arise, save for amounts of £3.00 or less which may be retained for the benefit of the Company, and for the purpose of any such sale the Board may authorise some person to execute an instrument of transfer of the shares representing fractions to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in the proceedings in reference to the sale;
- (2) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject to the Statute) and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;
- (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 share capital by the amount of the shares so cancelled.

## **MEETINGS OF MEMBERS**

### **CONVENING OF GENERAL MEETINGS**

55. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. Not more than fifteen months shall elapse between the date of one annual general meeting and that of the next.
56. All general meetings other than annual general meetings shall be called extraordinary general meetings.
57. The Board may call an extraordinary general meeting whenever it thinks fit; and, on the requisition of members in accordance with the Statute, it shall convene an extraordinary general meeting for the purposes set out in the requisition. Such meeting shall be held at a reasonably convenient time and place on a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed).

### **NOTICE OF GENERAL MEETINGS**

58. Unless consent to short notice is obtained in accordance with the Statute, fourteen clear days' notice at the least or, in the case of an annual general meeting or a meeting convened to pass a special resolution, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is served or deemed to be served and of the day on which the meeting is to be held) shall be given in the manner provided by these Articles to such members as are at the date of the notice, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Auditors, and also to the secretary of the Quotations Department of The Stock Exchange, London and to the secretary of any other stock exchange on which any part of the share or loan capital of the Company is for the time being listed.
59. Every notice of meeting shall specify the place, the day and the time of meeting and, in the case of special business, the general nature of such business. Every notice convening a meeting to pass an extraordinary or special resolution shall specify the intention to propose the resolution as an extraordinary or special resolution, as the case may be. Every notice convening an annual general meeting shall specify the meeting as such. Every notice of meeting shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote thereat instead of him and that a proxy need not be a member.
60. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice as required by these Articles, to any person entitled to receive the same, or the non receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at any meeting.

## PROCEEDINGS AT GENERAL MEETINGS

61. All business shall be deemed special that is transacted at an extraordinary general meeting, and all business that is transacted at an annual general meeting shall also be deemed special with the exception of:-
- (1) the consideration of the reports of the Directors and Auditors, the accounts and balance sheet, and any other documents required to accompany or to be annexed thereto;
  - (2) declaring dividends;
  - (3) the election of Directors to fill vacancies caused by Directors retiring by rotation or otherwise;
  - (4) the re-appointment of Auditors and the fixing of their remuneration.
62. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two members present in person and entitled to vote at the meeting shall be a quorum for all purposes.
63. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to the same place and time one week later, or to such day and to such time and place as may be fixed by the Board. If the Board fixes an alternative date, place or time, not less than five days notice thereof shall be given by advertisement in one leading daily newspaper circulating throughout the United Kingdom, but no other notice shall be required. If at any such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person or by proxy shall be a quorum.
64. The chairman of the Board or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman present and willing to act as chairman at any meeting within fifteen minutes after the time appointed for holding the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of themselves to be chairman of the meeting.
65. The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is demanded:-

- (1) by the chairman of the meeting; or
- (2) by at least three members present in person or by proxy and entitled to vote at the meeting; or
- (3) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (4) by a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (5) by any member in case of a resolution authorising an off-market purchase by the Company of its own shares.

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may, before the poll is taken, be withdrawn with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

67. If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
68. 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 either immediately or at such time and place as the chairman may direct but in any case not more than twenty-eight days after the date of the meeting at which the poll was demanded. No notice need be given of a poll not taken immediately.
69. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is taken shall be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.
70. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

71. Subject to any special rights or restrictions as to voting upon which any shares may be issued, or may for the time being be held, and to these Articles, on a show of hands every person present who is either a member entitled to vote in his own right and/or the duly authorised representative of one or more corporations shall have

one vote, and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

72. 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.
73. A member incapable by reason of mental disorder of managing and administering his property and affairs may vote, whether on a show of hands or on a poll, and otherwise exercise all his rights as a member by his receiver or other person authorised by any court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy; provided that such evidence as the Board may require of the authority of the person claiming to vote or act shall have been produced at the Office or at such other place as the Board may determine at least forty-eight hours before the time for holding the meeting.
74. Unless the Board otherwise determines, no member shall be entitled (save as proxy for another member) to attend or vote at any general meeting, either personally or by proxy, or to be counted in the quorum at any such meeting or to exercise any other right or privilege conferred by membership in relation to general meetings:-
  - (1) unless all calls or other sums presently payable by him in respect of shares in the Company have been paid; or
  - (2) in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice pursuant to any statutory provision relating to disclosure of interests in voting shares and he or any such other person has failed to supply to the Company the information thereby required following the expiry of thirty days from the date of service of such notice but the provisions of this paragraph (2) shall take effect only upon the expiry of seven days' notice served both on the registered holder of the shares in question and on any other person duly served with a notice thereunder, stating that the member is disenfranchised as aforesaid, and the disenfranchisement shall only apply for so long as the required information has not been supplied.

For the purposes of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under any such statutory provision as aforesaid which fails to establish the identities of those interested in the shares and if (after taking into account the said notification, any other relevant notification and any other facts of which it is aware) the Board knows or has reasonable cause to believe that the person in question is or may be interested in shares.

75. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.



## **PROXIES**

76. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses the same way.
77. Proxy forms shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and such proxy forms shall provide for two-way voting on all resolutions to be proposed at that meeting, other than resolutions relating to the procedure of the meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the common seal or under the hand of a duly authorised officer or attorney. Subject thereto, an instrument of proxy may be in any common form or in any other form which the Board shall approve. The signature on such instruments need not be witnessed.
78. The instrument appointing a proxy and the power of attorney or other written authority (if any) under which it is signed or an office or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or authority shall be deposited at the Office (or at such other place as may be specified for that purpose in the notice of meeting or any proxy form or other document accompanying the same) 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, not less than forty-eight hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution. The person appointed to act as a proxy need not be a member of the Company.
79. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no notification in writing of such death, insanity or revocation shall have been received by the Company at the Office (or other place referred to in the preceding Article) before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

## **REPRESENTATIVES OF CORPORATIONS**

80. Any corporation which is a member of the Company may, by resolution of its directors or other governing bodies authorise any person it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. 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 present in person. Such representative may be required to produce a copy of such resolution certified by a proper officer of such corporation.

**DIRECTORS**  
**NUMBER AND APPOINTMENT OF DIRECTORS**

81. Unless otherwise determined by ordinary resolution of the Company, the Directors shall not be less than three nor more than ten in number.
82. The Board shall have power to 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 exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall retire from office at the next following annual general meeting, and shall then be eligible for re-appointment, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under these Articles.
83. Except as otherwise authorised by the Statute, the appointment of each person proposed as a Director shall be effected by a separate resolution.
84. No person other than a Director retiring at the meeting shall be eligible for appointment to the office of a Director at any general meeting unless recommended by the Board or not less than seven nor more than forty-two clear days before the day fixed for the meeting there shall have been left at the Office addressed to the Secretary notice by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment, and also notice signed by the person to be proposed of his willingness to be appointed.
85. A Director shall not be required to hold any share qualification but shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and at any meeting of the holders of any class of shares of the Company.

**REMUNERATION OF DIRECTORS**

86. The ordinary remuneration of the Directors (other than a Managing Director or an Executive Director appointed under these Articles) shall be such amount as the Directors shall from time to time determine or such other amount as the Company may from time to time by ordinary resolution determine, to be divided among them in such proportion and manner as the Directors may determine or, failing agreement, equally. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) and other expenses they may incur in attending meetings of the Board, or of committees of the Board, or general meetings, or which they may otherwise properly incur in or about the business of the Company.
87. Any Director who, by request of the Board, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

## POWERS OF DIRECTORS

88. The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not by the Statute or by these Articles required to be exercised by the Company in general meeting. No regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
89. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.
90. The Board may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present Directors or employees of the Company or any of its Subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such Directors or employees.
91. The Board may from time to time by power of attorney under the Seal 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. 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.

## BORROWING POWERS

92. Subject as hereinafter provided, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital and, subject to the Statute, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
93. (1) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (if any) so as to secure (as regards Subsidiaries so far as by such exercise it can secure) that the aggregate amount at any one time outstanding in respect of money borrowed by the Group (excluding amounts for the time being owing by the Company to a Subsidiary or by a Subsidiary to the Company or to another Subsidiary) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to three times the adjusted share capital and reserves.

For the purpose of this Article:-

- (a) the “adjusted share capital and reserves” shall mean the aggregate of the amount paid up or credited as paid up on the issued share capital of the Company and the net amount standing to the credit of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve, revaluation reserve and profit and loss account but after deducting any debit balance on profit and loss account) of the Company all as shown in the latest audited and consolidated balance sheet of the Company and its Subsidiaries but adjusted as may be necessary:-
  - (i) to take account of any variation in the paid up share capital and reserves of the Company (other than as a result of trading profit or losses) since the date of that balance sheet;
  - (ii) to exclude any sums set aside for future taxation (including deferred tax); and
  - (iii) to take account in the case of Subsidiaries of the interests of outside shareholders (if any), any variation in the interest of the Company in any other company between the date of the balance sheet and the date for which the calculation falls to be made, and any other factor which the Auditors consider relevant.
- (b) “money borrowed” shall be deemed to include:-
  - (i) the nominal amount of any debentures issued notwithstanding that the same be issued in whole or in part for a consideration other than cash;
  - (ii) the nominal amount of any share capital issued and the principal amount of any money borrowed the repayment whereof is guaranteed by the Company or any subsidiary (together in each case with any premium payable on final redemption or repayment) except so far as either (i) such share capital or the debt owing in respect of such borrowed money is for the time being beneficially owned by the Company or by a Subsidiary, or
  - (iii) such borrowed money is otherwise taken into account as money borrowed by the Company or a Subsidiary.
- (2) There shall be disregarded in calculating the amount of money borrowed any money intended to be applied in the repayment of any sums previously borrowed or raised and outstanding together with any premiums payable thereon and actually applied for such purpose within four months of the borrowing thereof.
- (3) No person dealing with the Company or any of its Subsidiaries shall by reason of the foregoing provisions be concerned to see or require whether this limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security been given actual notice that the limit hereby imposed had been or would thereby be exceeded.

- (4) A certificate or report by the Auditors as to the amount of the Adjusted Share Capital and Reserves or the amount of moneys borrowed or to the effect that the limit imposed by this Article was not or will not be exceeded at any time or times shall be conclusive evidence of such amount or fact for the purposes hereof.

## MANAGING AND EXECUTIVE DIRECTORS

94. The Board may from time to time:-

- (1) appoint one or more of its body to the office of Managing Director or to any other office (except that of Auditor) or employment in the Company, for such period (subject to the Statute) and on such terms as it thinks fit and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation);
- (2) permit any person appointed to be a Director to continue in any other office or employment held by him in the Company before he was so appointed.

A Director (other than a Managing Director) holding any such other office or employment is herein referred to as "an Executive Director".

95. A Director appointed to the office of Managing Director shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year, but shall (subject to the provisions of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors. If a Director appointed to the office of Managing Director ceases from any cause to be a Director he shall ipso facto cease to be Managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser) and he shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office as Director by reason only of his ceasing to be Managing Director. Any person who, on ceasing to hold the office of Managing Director, remains in office as a Director, shall retire from office at the next following annual general meeting and shall then be eligible for re-appointment, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under these Articles.
96. An Executive Director shall not be exempt from retirement by rotation, and (unless any agreement between him and the Company shall otherwise provide) he shall not cease to hold his office or employment with the Company by reason only of his ceasing to be a Director nor cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.
97. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board and may be of any description, and (without limiting the generality of the foregoing) may include membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their

dependants, or, apart from membership of any such scheme or fund the payment of a pension or other benefits to him or his dependants on or after retirement or death.

98. The Board may entrust to and confer upon a Managing Director or Executive Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit and, in the case of a Managing Director, either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw or vary all or any of such powers.

### ALTERNATE DIRECTORS

99. Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by the Board and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.
100. The appointment of an alternate Director shall automatically determine in any of the following events:-
- (1) if his appointor shall terminate the appointment;
  - (2) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
  - (3) if by writing under his hand left at the Office he shall resign such appointment;
  - (4) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
101. An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled at his appointor's request to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform as a Director all the functions of his appointor in the latter's absence.
102. An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director and in respect of his office of alternate Director may receive such remuneration from the Company as the Board may determine. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
103. An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.
104. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall take effect (subject to any approval required by these Articles) upon receipt of such written appointment or removal at the Office or by the Secretary.
105. A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or

any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

### **ASSOCIATE DIRECTORS**

106. The Directors may at any time and from time to time appoint any of the managers or employees of the Company to be an Associate Director having such title, including the word "Director", as the Directors may decide. A person so appointed shall not be a Director of the Company and shall not be a member of the Board. Subject as aforesaid, the Directors may define and limit the powers and duties of any Associate Director and may determine their remuneration which may be in addition to their remuneration as managers or employees of the Company.

### **RETIREMENT OF DIRECTORS**

107. At every annual general meeting any Directors who shall be bound to retire under these Articles pursuant to Section 293 of the Statute and one-third of the other Directors (other than a Director exempt from retirement by rotation under these Articles) for the time being, or if their number is not a multiple of three, the nearest number to (but not exceeding) one third, shall retire from office and shall be eligible for re-appointment. A Director retiring at a meeting shall retain office until the close of the meeting or of any adjournment thereof.
108. The Directors to retire by rotation under the provisions of the foregoing Article shall be those who have been longest in office since their last appointment, but as between persons who were last appointed on the same day, those to retire by rotation shall (unless they otherwise agree amongst themselves) be determined by lot.
109. At the meeting at which a Director retires the Company may (subject to these Articles) fill the vacated office by appointing a person thereto, and in default the retiring Director shall, unless he intimates that he does not wish to be re-elected, be deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-appointment of such Director shall have been put to the meeting and lost. In the event of the vacancy not being filled at such meeting, it may be filled by the Board as a casual vacancy.
110. The Company may, by ordinary resolution of which special notice has been given in accordance with Section 379 of the Statute, remove any Director (including a Managing or Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

### **DISQUALIFICATION OF DIRECTORS**

111. The office of a Director shall be vacated in any of the following events, namely:-
- (1) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
  - (2) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;

- (3) if he is absent from meetings of the Board during a continuous period of six months without leave of absence from the Board and his alternate Director (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (4) if he is removed or prohibited from being a Director pursuant to any provision of the Statute;
- (5) if by notice in writing given to the Company he resigns his office;
- (6) if he is requested in writing by all the other Directors to resign.

### **DIRECTORS' INTERESTS**

112. (1) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall, at a meeting of the Board, declare in accordance with the Statute the nature of his interest and the interest of any person who is connected with him within the meaning of the Statute.
- (2) No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement in which any Director shall be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, provided that such Director has declared his interest in accordance with paragraph (1) of this Article.
- (3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (4) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which (together with any interest of any person connected with him) he has any material interest otherwise than by virtue of his interests in shares, debentures or other securities of, or otherwise in or through, the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (5) A Director shall (in the absence of some material interest other than is indicated by the relevant paragraphs below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-
  - (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its Subsidiaries;



- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its Subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its Subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - (d) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that his interest (as that term is used in Part VI Companies Act 1985) does not comprise a holding of or a beneficial interest in one per cent or more of the equity share capital of such company (or any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
  - (e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.
- (6) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (5)(d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (7) If any question shall arise at any meeting as to the extent or materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall (unless the Director in question is the Chairman in which case he shall withdraw from the meeting and the Board shall elect a vice chairman to consider the question in place of the Chairman) be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed and provided that any such question shall, for the purposes of disclosure of the interest in the accounts of the Company, be finally and conclusively decided by a majority of the Directors (save for the Director concerned). For the purposes of deciding whether or not a Director's interest is material the chairman of the meeting or, if appropriate, the majority of Directors (other than the Director concerned) shall (save as provided by the Statute) be entitled to ignore the interest of any person who is for the purposes of Part X of the Statute connected with the Director concerned.

- (8) The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.
113. Any Director may be or become a director or other officer or otherwise interested in any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefit received by him as director, or other officer of or from his interest in such company.
114. The Board may exercise the voting power conferred by the shares in any other company held or owned by the Company or authorise the exercise thereof by the members of the Board as directors of such other company in such manner and in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors or other officers of such company, or voting or providing for the payment of remuneration to the directors or other officers of such company).

### **PROCEEDINGS OF THE BOARD**

115. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom, unless he shall have given notice to the Company of an address within the United Kingdom to which notice should be sent.
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. For the purposes of this Article a duly appointed alternate Director shall be counted in the quorum at that meeting.
117. The continuing Directors may act notwithstanding any vacancies in their number but, if the number of Directors is reduced below any minimum number fixed by or in accordance with these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose.
118. The Board may elect a chairman and deputy chairman of its meetings and determine the period for which each of them is to hold office. If no such chairman or deputy chairman is elected, or if neither is present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.
119. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) shall be as effective as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors.

120. The Board may delegate any of its powers to committees consisting of such member or members of its body as it thinks fit together with any other person or persons approved by the Board with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board. Every such committee shall have as a majority of its membership persons who are Directors and no resolution of any such committee shall be effective unless the majority of the persons present at the meeting at which it is passed are Directors.
121. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director, or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

### MINUTES

122. The Board shall cause minutes to be made in books provided for the purpose:-

- (1) of all appointments of officers made by the Board; and
- (2) of the names of the Directors present at each meeting of the Board and of any committee of the Board; and
- (3) of all resolutions and proceedings at all meetings of the Company and of the Board and of any committee of the Board.

Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are approved, shall be sufficient evidence without any further proof of the facts therein stated.

### SECRETARY

123. Subject to the Statute, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board.
124. A provision of the Statute or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

### THE SEAL

125. (1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board. Subject to this Article, every instrument to which the Seal shall be affixed shall be signed by two Directors or by one

Director and the Secretary or some other person appointed by the Board for the purpose.

- (2) Every certificate for shares or debentures or representing any other form of security, (other than letter of allotment or similar temporary documents of title) shall be issued under the Seal or under the official seal kept by the Company by virtue of Section 40 of the Statute, but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.
- (3) The Company may exercise the powers conferred by the Statute with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

### **DIVIDENDS AND RESERVES**

126. The profits of the Company available for distribution and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may, subject to the next following Article, declare dividends accordingly.
127. No dividend, interim dividend or distribution shall be payable except in accordance with the Statute, or in excess of the amount recommended by the Board.
128. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it may think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may establish such reserve accounts and may divide the Company's reserves into such special funds as it may think fit. The Board may also without placing the same to reserves, carry forward any profits which it may think prudent not to divide.
129. All dividends shall be declared and paid according to the amount paid on the shares in respect whereof the dividend is paid but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.
130. The Board may if it thinks fit from time to time pay to the members in respect of any class of shares in the capital of the Company (including shares which confer on the holders thereof deferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend) such interim dividends as appear to the Board to be justified, and provided the Board acts bona fide it shall not incur any responsibility to the holders of any shares for any damage that they may suffer by reason of the payment of an interim dividend on any shares

having rights ranking subsequent to the shares of such holders. The Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates if in the opinion of the Board the payment is justified.

131. The Board may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.
132. No dividend or other moneys payable in respect of a share shall bear interest as against the Company. All unclaimed dividends may be retained by the Company or invested or made use of by the Company as the Board may think fit until the same be claimed and so that the Company shall not be obliged to account for any interest or other income derived therefrom nor shall it be constituted a trustee in respect thereof or be responsible for any loss thereby arising. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.
133. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
134. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.
135. Any dividend may be paid by cheque, warrant, electronic funds transfer and any bank transfer or other funds transfer system or by any other method as the Board may consider appropriate. Such payment may be sent by post or equivalent means of delivery directed to the registered address of the member or person entitled thereto, (or in the case of joint holders, to the registered address of the holder whose name stands first in the Register in respect of the share) or to such person and to such other address as the holder or joint holders may in writing direct. Payment may also be sent by such other means, including electronic media, as the Board may decide. Every dividend shall be made payable to the holder or joint holders entitled or to such person as the holder or joint holders entitled may in writing direct and payment of the cheque or warrant shall be a good discharge to the Company. Every payment in the form of a cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. If any such cheque or warrant has, or shall be alleged to have, been lost, stolen or destroyed, the Bank may, on request of the person entitled, issue a replacement cheque or warrant subject to such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Board thinks fit. Where any such dividend is paid by electronic funds transfer, bank transfer, or other funds transfer system or such other means and to or through such person as the holder or joint holders entitled may in writing direct, the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. If on two consecutive occasions cheques or warrants in

payment of dividends or other moneys payable on or in respect of any shares have been sent through the post in accordance with the provisions of this Article but have been returned undelivered or left uncashed during the periods for which the same are valid, the Company need not thereafter despatch further cheques or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Transfer Office a new registered address or address within the United Kingdom for the service of notices.

136. Any general meeting declaring a dividend may, 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 fully paid shares or debentures of any other company, and the Board shall give effect to such directions. Where any difficulty arises in regard to the distribution, the Board may settle the same as it thinks expedient, and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the members entitled to the dividends, as may seem expedient to the Board.
137. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share and the Board may deduct from the dividends payable on any share held jointly by several persons all sums of money that may be due to the Company from any one or more of the registered holders thereof on any account and in whatever capacity.

### CAPITALISATION OF PROFITS

138. (1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- (2) Subject to any direction given by the Company, the Board may make all appropriations and applications of the profits to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the members entitled thereto either:-
- (a) in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively; or
  - (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such members in the proportion aforesaid;

or partly in one way and partly in the other;

- (3) The Board shall have power after the passing of any such resolution to make such provision (by the issue of fractional certificates or by the sale of fractions and payment in cash or otherwise) as it thinks fit for shares or debentures becoming distributable in fractions;
- (4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying fixed dividends on any preference shares or other shares issued on special conditions and shall include:-
- (a) any profits or reserves arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
  - (b) any other amounts for the time being standing to any reserve or reserves including capital redemption reserve and share premium account;

Provided that:-

- (i) the Company shall not apply an unrealised profit in paying up debentures or any amounts unpaid on any of its issued shares; and
- (ii) the only purpose to which sums standing to share premium account or capital redemption reserve shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

## ACCOUNTS

139. The Board shall cause proper accounting records to be kept and such other books and registers as are necessary to comply with the Statute.
140. Subject to the Statute, the accounting records shall be kept at the Office or at such other place as the Board thinks fit, and shall always be open to the inspection of the officers of the Company. No member (other than an officer of the Company) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statute or authorised by the Board or by an ordinary resolution of the Company in general meeting.
141. The Board shall in accordance with the Statute cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statute.
142. A printed copy of the profit and loss account and balance sheet including every document required by law to be annexed thereto, together with a copy of the Auditors' report and the Directors' report shall, not less than twenty-one days before the annual general meeting, be delivered or sent by post to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings under the provisions of the Statute or of these Articles and such copies of each of these documents as are required from time to time shall at the same time be forwarded to the secretary of the Quotations Department of The Stock Exchange, London and the secretary of any other stock exchange on which any part of the share or loan capital of the Company is for the time being listed. Provided that this Article shall not require a copy of the

said documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

### AUDIT

143. The provisions of the Statute with regard to the appointment, powers, rights, remuneration and duties of the Auditors shall be complied with.
144. The Auditors' report to the members made pursuant to the statutory provisions as to the audit shall be read before the Company in general meeting and shall be open to inspection by any member.

### NOTICES

145. Any notice to be given pursuant to these Articles shall be in writing and such notice or other document may be served by the Company on any member either personally or by sending it through the post in a prepaid cover addressed to such member at or by leaving it at his address in the Register. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.
146. Any member whose address in the Register is 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 whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company.
147. A member present in person or by proxy at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received due notice of the meeting and, where requisite, of the purposes for which it was called.
148. A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested, whether jointly with or as claiming through or under him, in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.
149. If the Company has suspended the despatch of cheques or warrants to any member in accordance with the provisions of these Articles or, if on two consecutive occasions notices have been sent through the post to any member at his registered address but have been returned undelivered, such member shall not thereafter be



entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Transfer Office a new registered address or address for the service of notices.

150. Any notice or other document if served by post shall be deemed to have been served on the day following that on which the cover containing the same is posted (by whatever class of post). In proving such service it shall be sufficient to prove that the cover containing the notice or document was properly addressed, stamped and posted.
151. If at any time, by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date in at least two leading national daily newspapers (of which at least one shall be published in London) and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### SECRECY

152. No member shall be entitled to require or receive any information concerning the business trading or customers of the Company or its Subsidiaries or any trade secret or secret process of or used by the Company or its Subsidiaries beyond such information as to the accounts and business of the Company as is by these Articles or by the Statute directed to be laid before the Company in general meeting.

### WINDING UP

153. If the Company shall be wound up, the liquidator may with the sanction of an extraordinary resolution and any other sanction required by the Statute, divide amongst the members in specie or kind the whole or any part of the assets of the Company in such manner as he shall think fair (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may with the like sanction, determine how such division shall be carried out as between the members or different classes of members of the Company. 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 members as the liquidator shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is a liability.

### INDEMNITY

154. Subject to and so far as may be permitted by the Statute the Directors, alternate Directors, Auditors, Secretary and other officers for the time being of the Company shall be indemnified out of the assets of the Company against any costs, charges, losses, expenses and liabilities incurred by them in the execution and discharge of their duties, including all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under the Statute in which relief is granted to them by the Court.