

No. 246018

THE COMPANIES ACTS 1929 TO 1967

*COMPANY LIMITED BY SHARES*

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

*(Adopted by Special Resolution passed the 6<sup>th</sup> day of June, 1969)*

OF

BRITISH AVIATION INSURANCE COMPANY LIMITED

*Incorporated the 24<sup>th</sup> day of February, 1930*

LINKLATERS & PAINES  
BARRINGTON HOUSE  
59-67 GRESHAM STREET  
LONDON E.C.2



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THE COMPANIES ACTS, 1929 TO 1967

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**COMPANY LIMITED BY SHARES**

**Memorandum of Association**

**OF**

**BRITISH AVIATION INSURANCE  
COMPANY LIMITED**

*(Adopted by Special Resolution passed on the 28th day of April, 1931 and confirmed as to Clause 3 by Order of the High Court of Justice, Chancery Division dated the 8th day of June, 1931).*

1. The name of the Company is "BRITISH AVIATION INSURANCE COMPANY LIMITED".
2. The registered office of the Company will be situate in England.
3. The objects of the Company are : —
  - (1) To carry on in all its branches the business of insurance or underwriting of aircraft, and all risks of or connected with aviation or air navigation.
  - (2) Generally to carry on in all its branches the business of insurance (except life insurance) and all kinds of guarantee and indemnity business, with full power to effect re-insurances and counter-insurances as may seem expedient, and to carry on any business of a character similar or analogous to the business of insurance and guarantee or any other business (except life assurance) which can in the opinion of the Board be advantageously carried on by the Company.

- (3) To procure and conduct insurance for or on behalf of all or any companies and underwriting agents or principals ready and willing to insure against or underwrite such risks, and to act as agents or managers of any such companies, agents or principals in connection with their insurance or underwriting business or any branch of the same.
- (4) To carry on business as manufacturers of and workers in metals and alloys of all kinds, as mechanical, electrical and general engineers, and as manufacturers and repairers of and dealers in engines, aeroplanes, seaplanes, airships, and aircraft generally, motor vehicles, ships, boats and other vehicles, machines, apparatus and accessories used for or in connection with transit, whether by air, sea or land.
- (5) To acquire, provide and maintain aerodromes, garages, hangars, sheds, landing grounds, racing and testing grounds and waters, boathouses, wharves, quays, docks, offices, slips, and other accommodation for or in relation to aircraft, seacraft, motor vehicles, or other conveyances.
- (6) To carry on business as consulting aeronautical, motor, mechanical and electrical engineers and experts, and as refreshment room proprietors, licensed victuallers, wharfingers, hotel and inn proprietors, storage contractors, carriers of goods and passengers.
- (7) To buy, sell, exchange, clean, erect, instal, repair, alter, let, or take on hire, or otherwise deal in any plant, machinery, material, article or thing required in any of the businesses aforesaid.
- (8) To lend and advance money upon or without any security, including the lending of money upon policies issued by the Company or in respect of which it may be liable.
- (9) To pay, satisfy or compromise any claims made against the Company in respect of any policies or contracts granted by, dealt in or entered into by the Company which claims the Company may deem it expedient to pay, satisfy or compromise notwithstanding that the same may not be valid in law, and to revive any policy that may have become void or lapsed on such terms and conditions and in such cases as may be deemed expedient, or in lieu of reviving any such policy to grant any new policy or make any other concession in favour of the persons or any of the persons entitled to the lapsed or void policy

- (10) To purchase and deal in and lend on reversionary or expectant interests absolute or contingent and estates for life, whether determinable or not, and property of all kinds, and to acquire, lend money on, extinguish by purchase or surrender any policy, security or grant or contract issued by or binding on the Company or on any fund under the administration of the Company.
- (11) To enter into any agreement for any of the purposes aforesaid with any insurance company, association, syndicate, or others, and to undertake, transact and execute agency business of all kinds:
- (12) To become surety in and to execute any bail-bond or guarantee in lieu of bail, or any other bond or guarantee for whatever purpose the same may be required.
- (13) To accumulate capital for any of the purposes of the Company, and to appropriate any of the Company's assets to specific purposes, either conditionally or unconditionally, and to admit anyone for whom the Company acts as agents or any class or other section of those who insure or have any dealings with the Company to any share in the profits thereof, or in the profits of any particular branch of the Company's business, or to any other special rights, privileges, advantages and benefits.
- (14) To undertake and execute the office of trustee or executor of wills or settlements, trustee of deeds securing debentures, debenture stocks, or other issues of joint stock or other companies, secretary, registrar, agent, factor, curator, receiver, manager, guardian committee or any other office of trust or responsibility (without remuneration if so desired), and to undertake trusts of all kinds and the conduct of any business connected with trusts of any description or the estates of deceased persons, and to receive money on deposit at interest, or deeds, securities or other documents or money or any personal chattels for safe custody with or without undertaking liability for any loss thereof or injury thereto, and to undertake all kinds of agency business.

- (15) To carry on the business of a salvage company or association in all its branches, and operations of every nature in any way connected with salvage, and to act as agents or managers of any salvage company, or association, or of any branch thereof.
- (16) To subscribe for, underwrite, purchase, acquire, sell give and obtain options over, and grant advances upon any shares, stocks, securities or obligations of any kind whatever, or any rights relating thereto, and to enter into arrangements for the joint disposal or acquisition of the same, or any of them, or any interest therein, and to act as trustees or agents for any such arrangement, or as trustees for any purpose, whether similar to the fore- going or not, or as executors, and to carry on, conduct, create, assist or participate in any capacity in commercial, industrial and financial undertakings, businesses and operations of every kind, provided that the Company shall not carry on the business usually carried on by dealers in stocks and shares.
- (17) To promote, form or establish any company or companies for the purpose of carrying on as principal or as agent for the Company any description of business which the Company is authorised to carry on, or which may seem directly or indirectly conducive to the Company's interest to purchase, acquire or take over, or contract for carrying on or administering the whole or any part or branch of the business or property of any company, individual or association of individuals carrying on such business, or to enter into partnership or into any arrangement for sharing profits, union of interests, joint adventure, reciprocal concession or co-operation with any such company or individual or association of individuals, and for any of these purposes to issue or subscribe for, purchase, acquire or take over the shares, stock, debentures or other securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with such securities, and to pay for such securities or for the business or property of any such company, individual or association in cash or in shares fully or partly paid up or in debentures or preference stock or to guarantee the dividends or interest of such securities if held by others or to amalgamate with any such company or to subsidise or otherwise assist or take over any of the liabilities or guarantee the due performance of the obligations of any such company, individual or association, and to transfer to any such company any part or branch of its business. Provided always

that the liability of the holders of shares in any such company must be limited.

- (18) To sell the whole or any part or branch of the business property or undertaking of the Company, to accept as the consideration for such sale or for any services rendered the shares or obligations of or any interest in any company formed or to be formed in the United Kingdom or elsewhere, and upon a return of capital or division of profits to distribute any shares, stock or obligations among the Members in specie.
- (19) Generally to purchase, take on lease, exchange, hire or otherwise acquire any real or personal property, rights or privileges which the Company may think necessary or convenient with reference to any of these objects or capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
- (20) To borrow or raise money and to issue bonds, debentures, debenture stock or other obligations, whether perpetual or redeemable, payable to bearer or otherwise, and for the purpose of securing borrowed money and interest thereon or for securing any obligations of the Company or for any other purposes of the Company to mortgage or charge the whole or any part of its assets present or to be acquired and its undertaking, including its uncalled and unpaid capital, and to redeem, purchase or pay off any such securities.
- (21) To invest the funds of the Company in such manner as may from time to time be determined, and as subsidiary to any of the above objects to acquire and hold any real or personal heritable or movable property or to erect buildings either for facilitating the carrying on of any business of the Company or as an investment of its funds and to sell, improve, manage, develop, exchange, enfranchise, lease, mortgage, pledge, dispose of, turn to account or otherwise deal with all or any part of the property or rights of the Company.
- (22) To lend money to such persons, companies and societies and in particular to Directors, officers or Members of the Company and to customers of and persons having dealings with the Company and on such terms and conditions as may seem expedient and with or without security and to guarantee the performance of contracts by Members of or persons having dealings with the Company or others.
- (23) To do all or any of the before mentioned things in any part of the world and either alone or jointly

or as a joint adventure with any other company, association or individuals, either as principals, agents, trustees, contractors or otherwise, and either by or through agents, sub-contractors, trustees or otherwise, and for the purpose of transacting business abroad to procure the Company to be incorporated, registered or recognised in any foreign country, state or province or in any British dominion, colony, protectorate or dependency or any country over which the Crown may by treaty, mandate, agreement or otherwise have acquired or assumed jurisdiction, and to establish branch offices regulated by local laws and obtain any concession and to deposit money with the government authorities in such places or in the hands of trustees or otherwise in order to comply with the terms of any concession obtained or the laws or regulations in force for the time being in any country where the Company may desire to transact business or for the convenience or credit of the Company there, and in order to transact such business to vest any powers or authorities in any attorney or other agent.

- (24) To place or allow to remain in the name or names or in the custody or within the legal control of any person or persons or company wherever resident or domiciled for and on behalf of or as trustees for the Company or any class of policy holders any money, investments, securities or other property of the Company for the time being.
- (25) To obtain any Provisional Order or any Act of Parliament or any judicial or other legal sanction for enabling the Company to carry any of its objects into effect or for introducing any modification into the Company's constitution or for any other purpose which may seem expedient and to oppose or contribute towards the expense of opposing any Bill in Parliament or any proceedings or applications which may be deemed to be prejudicial to the interests of the Company.
- (26) To establish and support or aid in the establishment and support of associations, institutions, funds or trusts calculated to benefit servants or ex-servants of the Company or the dependents or connexions of such persons. and to grant pensions and allowances to any persons connected or who may have been connected with the Company and to make payments towards their insurance and to subscribe or guarantee money for any charity benevolent object or for any public, general or useful object.

- (27) To receive money, securities and obligations on deposit at interest or otherwise.
- (28) To amalgamate with any other company in any part of the world whose objects are similar to or include any object or objects, or whose business or any part thereof is similar to the business or any part of the business of this Company, whether by sale or purchase (for shares or otherwise) of the undertaking and the liabilities of this or any such other company as aforesaid, with or without winding-up, or by sale or purchase (for shares or otherwise) of all the shares or stock, debentures or securities of this or such other company as aforesaid, or by partnership or any arrangement of the nature of partnership, or in any other manner.
- (29) To apply for and obtain or to purchase or otherwise acquire and to hold any patents, patent rights, secret processes, rights, licences and concessions.
- (30) To draw, issue, accept, endorse, discount and negotiate bills of exchange, promissory notes, bills of lading, and other negotiable or transferable instruments.
- (31) To do any other things which the Company may consider incidental or conducive to the attainment of any of the above objects.

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and further that none of the sub-clauses of this clause, or the objects therein specified, or the powers thereby conferred, shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world, and notwithstanding that the business, undertaking, property, or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause.

- 4. The liability of the Members is limited.
- 5. The original share capital of the Company is £100, divided into 100 shares of £1 each, with power to increase or reduce the capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts, and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms or conditions, and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.



- Notes :**
1. By Resolution dated the 28th day of April, 1931 the capital of the Company was increased to £250,000 divided into 250,000 shares of £1 each.
  2. By Resolution dated the 19th day of November, 1968 the capital of the Company was increased to £1,000,000 divided into 1,000,000 shares of £1 each.
  3. By Resolution dated the 21st June 1974 the capital of the Company was increased to £2,000,000 divided into 2,000,000 shares of £1 each.
  4. By Resolution dated the 19<sup>th</sup> November 2020 was redenominated from £2,000,000 to \$2,654,614 divided into 2,000,000 shares of \$1.327307.
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THE COMPANIES ACTS, 1929 TO 1967

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*COMPANY LIMITED BY SHARES*

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## Articles of Association

OF

### BRITISH AVIATION INSURANCE COMPANY LIMITED

*(Adopted by Special Resolution passed on the 6th day of June, 1969)*

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#### PRELIMINARY

1. In these Articles, unless the context otherwise requires: —
  - (a) "The Act" means the Companies Act, 1948, and any statutory modification or re-enactment thereof.
  - (b) Expressions defined in the Act have the meanings so defined.
  - (c) Words importing the singular include the plural, and *vice versa*.
  - (d) Words importing the masculine gender include the feminine
  - (e) Words importing persons include corporations.
  - (f) "Month" means calendar month; and
  - (g) "Year" means calendar year from the 1st January to the 31st December both inclusive.
  - (h) "Paid" means paid or credited as paid.

- (i) "United Kingdom" means Great Britain and Northern Ireland the Channel Islands and the Isle of Man.
- 2. The regulations contained in Table "A" in the First Schedule to the Act and in any Table A applicable to the Company under any former enactment relating to companies are hereby excluded.

### CAPITAL

- 3. The share capital of the Company is \$2,654,614 divided into 2,000,000 Ordinary Shares of \$1.327307.

### ALTERATION OF CAPITAL

- 4. The Company may by Ordinary Resolution: —
  - (a) Increase its share capital by the creation of new shares of such amount as the resolution may prescribe;
  - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) 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;
  - (d) Sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association, but so that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

And may by Special Resolution: —

- (e) Reduce its share capital and any capital redemption reserve fund or share premium account in any manner authorised by law.
- 5. Any shares proposed to be issued (except as the Company may by Ordinary Resolution otherwise determine) shall be offered in the first instance to the existing shareholders in proportion, as nearly as the circumstances admit, to the amount of the existing shares held by them. The offer shall be made by notice specifying the subscription price and the number of shares offered, and limiting a reasonable time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company.

The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article.

### MODIFICATION OF RIGHTS

- 6. Whenever the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of three-

fourths of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of that class. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least, holding or representing by proxy one-third of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll, but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum.

## SHARES

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or subject to such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution determine.
8. Subject to the provisions of Section 58 of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.
9. It shall be lawful for the Company to pay a commission to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company, but such commission shall not exceed 10 percent of the price at which the shares are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.
10. The Company shall keep a Register of its Members as required by Section 110 of the Act.
11. Every person whose name is entered as a Member in the Register of Members shall, without payment, be entitled to a certificate under the Common Seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
12. If a Share Certificate is defaced, lost or destroyed, it may be renewed on such terms, if any, as to evidence and indemnity as the Directors shall think fit.
13. Save as otherwise provided by these Articles, the registered holder of any share will be regarded by the Company as the absolute owner thereof, and the Company shall not be bound by or be under any obligation to recognise any trust or equity or any right or claim in any other person in respect of such share.

## LIEN

14. The Company shall have a 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 that share, and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
15. The Company may sell, in such manner as the Directors think 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 such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
16. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## CALLS ON SHARES

17. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares, and each Member shall (subject to being given at least fourteen days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on his shares.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Five Pounds per cent. per annum from the day appointed for the payment thereof to the time of actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part.
20. The provisions of these Articles as to the payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on

account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

21. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
22. The Directors may, if they think 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 upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in General Meeting, six per cent.) as may be agreed upon between the Member paying the sum in advance and the Directors.

### FORFEITURE OF SHARES

23. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors 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 interest which may have accrued.
24. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
25. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
26. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
27. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in full of the nominal amount of the shares and premium (if any).

28. A Statutory Declaration in writing that the declarant is a Director of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof, and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of, and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
29. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### TRANSFER AND TRANSMISSION OF SHARES

30. The instrument of transfer of any share shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
31. Shares in the Company shall be transferred in any usual or common form which the Directors may approve.
32. The Directors may decline to register any transfer of shares on which the Company has a lien. The Directors may also suspend the registration of transfers during the fourteen days immediately preceding the Annual General Meeting in each year. The Directors may decline to recognise any instrument of transfer unless (a) it is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and (b) the instrument of transfer is in respect of only one class of share.
33. The Directors may refuse to register any transfer of shares (other than a transfer made pursuant to the next succeeding Article) to a person of whom they do not approve without being bound to give any reason for such refusal. If the Directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

34. a) A Member being a body corporate may at any time transfer any of its shares to a Member of the same group provided that where shares have been so transferred (whether directly or by a series of transfers hereunder) from a body corporate (hereinafter called "the transferor company" which expression shall not include a second or subsequent transferor in such a series of transfers) to a Member of the same group (hereinafter called "the transferee company") otherwise than under a scheme of reconstruction or amalgamation whereunder the transferor company is placed in liquidation and the transferee company acquires the whole or the major part of its undertaking and assets, and subsequently the transferee company ceases to be a member of the same group as the transferor company, it shall be the duty of the transferee company to notify the Directors in writing that such event has occurred and (unless after such event the relevant shares are transferred to the transferor company or a member of the same group as the transferor company) the transferee company shall be bound, if and when required in writing by the Directors so to do, to give a transfer notice (as defined in the next following Article) in respect of the relevant shares.
- (b) For the purposes of this Article : —
- (i) the expression "a member of the same group" means a company which is for the time being a holding company of the transferor company or a subsidiary of the transferor company or of any such holding company or a company acquiring the whole or the major part of the undertaking and assets of the transferor company under a scheme of reconstruction or amalgamation whereunder the transferor company is placed in liquidation; and
- (ii) the expression "the relevant shares" means and includes (so far as the same remain for the time being held by the transferee company) the shares originally transferred and any additional shares issued or transferred to the transferee company, as the case may be, by virtue of the holding of the relevant shares or any of them or the membership thereby conferred.
- (c) Shares may be transferred by a Member or his personal representatives to any person who represents the same interest as the Member or the personal representatives of the Member transferring the shares provided that there is no change of any beneficial interest in the shares so transferred. No such transfer as aforesaid shall be registered unless the Directors are satisfied by the production of such evidence as they may think fit that the conditions aforesaid have been complied with.
35. Except in the case of a transfer of shares expressly authorised by the last preceding Article, the right to transfer shares in the Company shall be subject to the following restrictions, namely : —
- (a) Before transferring any shares the person proposing to transfer the same (hereinafter called "the proposing transferor") shall give a notice in writing



(hereinafter called "the transfer notice") to the Company that he desires to transfer the same. The transfer notice shall constitute the Company his agent for the sale of the shares therein mentioned (together with all rights then attached thereto) at the price therein mentioned ("the prescribed price") during the period commencing with the receipt of the Notice by the Company ("the prescribed period") to any member and the transfer notice shall not be revocable except with the consent of the Directors.

(b) All shares included in any transfer notice shall by notice in writing be offered by the Company to all Members holding Ordinary Shares (other than the Member to whose shares the transfer notice relates) for purchase at the prescribed price on the terms that in case of competition the shares so offered shall (in accordance with but subject to the provisions of the next following paragraph) be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any Member beyond that applied for by him) to their existing holdings of Ordinary Shares. Such offer shall limit a time (not being less than twenty-one days) within which it must be accepted or in default will lapse.

(c) If the Company shall within the prescribed period find Members (hereinafter called "purchasers") to purchase the shares concerned or any of them and give notice in writing thereof to the proposing transferor he shall be bound, upon payment of the prescribed price, to transfer such shares to the respective purchasers. Every such notice shall state the name and address of the purchaser and the number of shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the Directors not being less than three days nor more than ten days after the date of such notice. Provided always that if the transfer notice shall state that the proposing transferor is not willing to transfer part only of the shares concerned this paragraph shall not apply unless the Company shall have found purchasers for the whole of such shares.

(d) If a proposing transferor shall fail or refuse to transfer any shares to a purchaser hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the proposing transferor and cause the purchaser to be registered as the holder of such shares. The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and after the purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

(e) If the Company shall not within the prescribed period find purchasers willing to purchase all the shares and give

notice in writing thereof to the proposing transferor or if the Company shall within the prescribed period give to the proposing transferor notice in writing that the Company

has no prospect of finding purchasers of such shares, or any of them, the proposing transferor at any time thereafter up to the expiration of two months after the prescribed period shall be at liberty (subject only to the provisions of the last but one preceding Article) to transfer those shares for which the Company has not within the prescribed period given notice that it has found (or has given notice that it has no prospect of finding) purchasers to any person on a *bona fide* sale at any price not being less than the prescribed price (after deducting, where appropriate, any net dividend or other distribution declared or made after the date of the transfer notice and to be retained by the proposing transferor). Provided that: —

(i) If the transfer notice shall state that the proposing transferor is not willing to transfer part only of the shares concerned he shall not be entitled hereunder to transfer any of such shares unless in aggregate the whole of such shares are so transferred;

(ii) The Directors may require to be satisfied that such shares are being transferred in pursuance of a *bona fide* sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer.

36. The legal personal representatives of a deceased sole holder of a share shall be the only persons recognised by the Company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only persons recognised by the Company as having any title to the share.
37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall, upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
38. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

39. 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 notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.
40. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
41. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on requisition, as provided in the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

#### NOTICE OF GENERAL MEETINGS

42. An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least, and any other General Meeting by fourteen days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to the Auditors and to all Members other than such as are not under the provisions of these presents entitled to receive such notices from the Company : Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed : —

(a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and

(b) in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

43. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll,

vote instead of him and that a proxy need not be a Member of the Company.

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

(c) In the case of any General Meeting at which business other than ordinary business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

44. Ordinary business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:—

(a) declaring dividends;

(b) considering and adopting the accounts, the reports of the Directors and Auditors and other documents required to be annexed to the accounts;

(c) appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;

(d) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement or otherwise.

45. The Directors shall on the requisition of Members in accordance with the provisions of the Act, but subject as therein provided: —

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

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

46. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, and two Members personally present shall be a quorum.

47. If within half-an-hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place.

48. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, a Deputy Chairman, if any, shall so preside. If there is no Deputy Chairman present the Members present shall choose one of their number to be Chairman of the meeting.

49. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
50. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least two Members present in person or by proxy entitled to vote, or by a Member or Members so present and entitled and holding together at least one-tenth of the issued share capital of the Company, and, unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.
51. If a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. 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 at such time as the Chairman of the meeting directs.
52. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

#### VOTES OF MEMBERS

53. On a show of hands every Member present in person shall have one vote. On a poll every Member shall have one vote for each share of which he is the holder. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
54. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, *curator bonis*, or other person in the nature of a committee or *curator bonis* appointed by that Court, and any such committee, *curator bonis* or other person may, on a poll, vote by proxy.

55. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
56. On a poll votes may be given either personally or by proxy.
57. The instrument appointing a proxy and (if the Directors so require) the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Registered Office of the Company or at such other place as the Directors may determine not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Registered Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.
58. An instrument appointing a proxy may be in any usual or common form or in any other form which may be approved by the Directors.
59. A proxy need not be a Member of the Company. The instrument, appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

#### CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

60. Any corporation whether a company within the meaning of the Act or not which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

#### DIRECTORS

61. The number of Directors shall be not less than two nor more than twenty, unless otherwise determined by the Company in general meeting.

62. The Directors shall be entitled to receive each year out of the funds of the Company by way of remuneration such sums as may be voted to them from time to time by the Company in General Meeting either as remuneration for the Board of Directors generally or any committee or members thereof.
63. Such remuneration shall be divided among the Directors in such shares and proportions and in such manner as they shall from time to time agree or in default of agreement equally.
64. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.
65. Subject to the provisions of this Article, a Director may contract or be interested in any contract made or proposed to be made with the Company, and such contract shall not by reason of his position as a Director of the Company, be avoided, nor shall such Director be liable, by reason of his position as aforesaid, to account to the Company for any profit made by him arising out of such contract. Every Director contracting or being interested, whether directly or indirectly, in any contract with the Company shall (a) make to his co-Directors at the first meeting after he becomes interested as aforesaid a full disclosure of his interest, and (b) abstain from voting in respect of such contract or any matters in relation thereto, and if he does so vote his vote shall not be counted. A Director may hold any office of profit under the Company except that of Auditor.
66. The office of Director shall be vacated if the Director : —
- (a) ceases to be a Director by virtue of Section 185 of the Act; or
  - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) becomes prohibited from being a Director by reason of any order made under the Act; or
  - (d) becomes of unsound mind; or
  - (e) resigns his office by notice in writing to the Company; or
  - (f) is absent from the meetings of the Directors for a continuous period of six months without special leave of absence from the Directors and the Board resolve that his office be vacated.
- The office of Director shall also be vacated if:—
- (g) at a meeting of the Directors specially convened for the purpose of considering the same a resolution to remove a Director is passed by a majority of three-fourths of their number.
67. The Directors shall not be subject to retirement by rotation.

68. The Company may from time to time in General Meeting increase or reduce the number of Directors.
69. Any casual vacancy occurring in the Board of Directors may be filled by the Directors and the Directors may appoint additional Directors to the Board but the person or persons so chosen shall be subject to retirement at the next Annual General Meeting and shall be eligible for re-election.
70. The Company may by Ordinary Resolution, of which special notice has been given in accordance with Section 142 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these regulations 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.
71. (a) The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding regulation, and without prejudice to the powers of the Directors under Article 69 the Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
- (b) No person other than a Director retiring at the meeting shall unless recommended by the Directors be eligible for election to the office of Director at any General Meeting unless not less than three nor more than twenty-one days before the date appointed for the meeting there shall have been left at the Registered Office of the Company notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.

#### POWERS AND DUTIES OF DIRECTORS

72. (a) The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Act, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless, to the provisions of the Act and of these Articles and to such regulations, not being inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
- (b) The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party:



Provided that the amount for the time being remaining undischarged of moneys borrowed or secured by the Directors as aforesaid (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time, without the previous sanction of the Company in General Meeting, exceed twice the nominal amount of the share capital of the Company for the time being issued and paid up, but nevertheless no lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded.

73. The Directors may from time to time appoint one or more of their body to any executive office including the office of Chairman, Deputy Chairman or Managing Director or Manager for such term, and at such remuneration (whether by way of salary, or commission, or participation in profits, or partly in one way and partly in another or in any other manner) as they may think fit, and his appointment shall be subject to determination *ipso facto* if he ceases from any cause to be a Director, or if the Company in General Meeting resolve that his tenure of the office of Managing Director or Manager be determined.
74. Any Director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.
75. (a) The Directors may establish such agencies or local boards as they may think convenient for the purpose of managing any of the affairs of the Company abroad. The Directors may delegate any of their powers to and make such provisions and regulations for the conduct of the Company's affairs by such agencies or local boards as they may from time to time think fit.  
  
(b) The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

76. The Directors shall cause minutes to be made in books provided for the purpose :—
- (a) Of all appointments of officers made by the Directors ;
  - (b) Of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
  - (c) Of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

And every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose.

### PROCEEDINGS OF DIRECTORS

77. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they may think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
78. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two.
79. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company, but for no other purpose.
80. (a) The Directors may elect a Chairman of their meetings and one or more Deputy Chairmen and determine the period for which those so elected shall hold office. If no Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same the Deputy Chairman, or one of them if there are more than one, shall be Chairman of the meeting. If there is no Deputy Chairman present the Directors present may choose one of their number to be Chairman of the meeting.
- (b) A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held.
81. The Directors may delegate any of their powers to any committee consisting of one or more Directors upon such terms and subject to such restrictions and conditions as they

may think fit and may at any time revoke or vary such delegation.

82. A committee may elect a Chairman of their meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.
83. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the Chairman shall have a second or casting vote.
84. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

#### ALTERNATE DIRECTORS

85. A Director may with the approval of the Board appoint any person to act as his alternate Director at all meetings of the Board at which such Director is not present and such appointment shall have effect and such appointee while he holds office as an alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly, and he shall *ipso facto* vacate office if and when the appointor vacates office as a Director or removes the appointee from office, and any appointment and removal under this Article shall be effected by notice in writing under the hand of the Director making the same. An alternate Director may be repaid expenses, and shall be entitled to be indemnified, by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration otherwise payable to his appointor except as such appointor may by notice in writing to the Company from time to time direct.

#### DIVIDENDS AND RESERVE

86. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors and no dividend shall be paid otherwise than out of profits.
87. The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.

88. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this Article as paid on the share. No dividend shall bear interest against the Company.
89. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they may think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalising dividends, or for any other 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 Directors may from time to time think fit.
90. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post (at the risk of the person entitled thereto) directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members or to such other person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and payment of the same shall be a good discharge to the Company. Any one or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
91. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

## CAPITALISATIONS

92. A General Meeting may direct capitalisation of the whole or any part of the profits for the time being of the Company, or the whole or any part of the reserve fund or funds of the Company, by the distribution among the holders of the issued shares of the Company, in accordance with their rights of paid-up shares, debentures, debenture stock or other obligations of the Company, and the provisions following shall apply : (a) The Directors shall give effect to any such resolution, and set free for distribution, and appropriate to and amongst the holders of such shares in the proportions to which they are entitled,

such portions of the profits or reserve fund (as the case may be) as may be required for the purpose of making payment in full at par for the shares, debentures, debenture stock or other obligations of the Company so distributed, and shall apply the same accordingly, but no such capitalisation and distribution shall be made unless previously recommended by the Directors; (b) Where any difficulty arises in regard to the distribution or payment, the Directors may settle the same as they think expedient and, in particular, may issue fractional certificates and generally make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture stock or other obligations or fractional certificates and otherwise as they may think fit ; and (c) When required a proper contract shall be filed in accordance with the provisions of the Act, and the Directors may appoint any person to sign such contract on behalf of the holders of the shares of the Company entitled to the benefit of such capitalisation, and such appointment shall be effective.

#### THE SEAL

93. The Directors shall provide for the safe custody of the seal which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by the Secretary, or by some other person appointed by the Directors for the purpose. Provided that the Directors may by resolution determine that such signature may be dispensed with or may be affixed by some method or system of mechanical signature in the case of certificates for shares or debentures of the Company.

#### SECRETARY

94. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

#### AUTHENTICATION OF DOCUMENTS

95. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of

the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Head Office of the Company the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

## ACCOUNTS

96. The Directors shall cause to be kept at the Registered Office of the Company, or at such other place or places as they may think fit, true accounts of all moneys received and expended by the Company and of the matters in respect of which such receipt and expenditure takes place and of all sales and purchases of goods by the Company and of the assets and liabilities of the Company.
97. The accounts and books of the Company shall always be open to the inspection of the Directors who shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations such accounts and books or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.
98. The Directors shall from time to time in accordance with Section 148 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets and reports as are referred to in that section.

## AUDITORS

99. Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for 'appointment.
100. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

## NOTICES

101. A notice may be given by the Company to any Member either personally or by sending it by post to him to his' registered address, or (if he has no registered address in the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and, unless the contrary is proved, to have been effected at the expiration of 24 hours after it was posted.
102. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in' the Register in respect of the share.
103. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in the United Kingdom supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice, in any manner in which the same might have been given if the death or bankruptcy had not occurred.
104. Notice of every General Meeting shall be given in any manner hereinbefore authorised to :—
  - (a) every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;
  - (b) every person (having supplied to the Company an address within the United Kingdom) upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member where the Member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
  - (c) the Auditor for the time being of the Company.

No other person shall be entitled to receive notices of General Meetings. Any notice or document delivered or sent by post to or left at the registered address of any Member or other person as aforesaid in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder.

## WINDING UP

105. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an

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

### INDEMNITY

106. Subject to the provisions of and so far as may be permitted by the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.