

THE COMPANIES ACT 1948
COMPANY LIMITED BY SHARES
Company No 514718
MEMORANDUM OF ASSOCIATION
OF
NXT PLC

(As amended)

SATURDAY



- 1 The name of the Company is NXT plc ¹
- 2 The Company is to be a public company
- 3 The Registered Office of the Company will be situate in England
- 4 The objects for which the Company is established are -
 - 4 1 To carry on, develop and extend the business of manufacturers, dealers, assemblers, hirers and repairers, designers, installers and maintainers of all electrical, electronics and telecommunications equipment, appliances and apparatus of every description, the components, accessories and ancillary products, of and in radio, television and telecommunication requisites and supplies, teletext and viewdata receivers to include without limitation, Hi-Fi or radio, turntable, loudspeaker, rediffusion equipment, amplifier, receiver and decoder (of any type), transmitter (of any type), tape (whether magnetic or digital) compact disc playing or recording units, any other sound or vision receiving, transmitting, reproducing or recording equipment or apparatus, any telecommunication transmission services equipment (whether terrestrial or satellite), and any parts, apparatus and accessories to include without limitation electronic microchips, remote control units, aerals, electrical supply and control units, motor units, laser units, electrical displays and parts of every kind, including cabinets, stands, cases or other fittings
 - 4 2 To carry out research investigations and experimental work in relation to electronics and the application and use of electronic technology
 - 4 3 To design, modify, develop, manufacture, assemble and deal in computers and peripheral equipment (hardware or software) and to provide a technical and advisory service of computers and other electronic or automatic equipment and to devise and supply programmes and other software

¹ By Special Resolution the name of the Company was approved and changed to R S C (Leeds) Limited from Radio Supply Co (Leeds) Limited on 28th April 1960 By a Special Resolution dated 5th January 1961 the name was changed to Audio Factors Limited By a Special Resolution dated 8th March 1965 the name was changed to Audio Fidelity Limited and by a Special Resolution of Directors dated 27th April 1981 the Company adopted the title Audio Fidelity Public Limited Company By a Special Resolution the Company changed its name to Wharfedale Plc on 19th January 1990 and by a Special Resolution the name was changed to Venty Group Plc on 16th October 1992 By a Special Resolution dated 30th October 1998 the Company changed its name to NXT plc

- 4 4 To carry on all or any of the business of electrical, mechanical, motor and general engineers, manufacturers and merchants of, agents for, and dealers in engineering specialities of every description and to buy, sell, manufacture, repair, alter and otherwise deal in apparatus, plant, machinery, fittings, furnishings, tools, materials, products and chips of all kinds capable of being used for the purpose of the business of this Clause or any of them or likely to be required by customers of the Company
- 4 5 To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any business which the Company is authorised to carry on, or may seem to the Company calculated directly or indirectly to benefit the Company, or to enhance the value or render profitable any of the Company's properties or rights
- 4 6 To acquire and hold controlling and other interests in the share or loan capital or any company or companies and to provide financial, managerial and administrative advice, services and assistance for any company in which the Company is interested, and for any other company
- 4 7 To apply for, purchase or otherwise acquire any patents, licences and like rights, copyrights, trade marks, formulas, licences and concessions, logos and the like, conferring an 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 the Company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the rights and information so acquired
- 4 8 To purchase, take on lease or in exchange or hire, or otherwise acquire any real and personal property including without limitation lands, houses, buildings, rights, properties and chattels which the Company may think to be suitable or convenient for any purposes of its business, and to purchase or otherwise acquire and undertake all or any of the business, property and liabilities of any person or company carrying on any business similar to that which this Company is authorised to carry on, or possessed of property suitable for the purpose of the Company and pay for any assets acquired by the Company in cash or with shares, stocks, debentures, debenture stock or obligations of the Company, whether fully paid or otherwise, or in any other manner
- 4 9 To sell, improve, manage, develop, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the undertaking or property of the Company, and to sell the undertaking of the Company, or any part hereof for such consideration as the Company may think fit, and in particular for shares, debentures or debenture stock, or other obligations of any other company
- 4 10 To sell any patent rights and all other intellectual property rights or privileges belonging to the Company or any interest in them, and to grant licences for the use and practice of the same or any of them, and to let or allow to be used or otherwise deal with any inventions, patents or privileges in which the Company may be interested, and to do all such acts as may be deemed expedient for turning to account any such inventions, patents and privileges

- 4 11 To form, promote, subsidise and assist companies, syndicates and partnerships of all kinds which may be of assistance to the Company for any of the purposes of its business, whether directly or indirectly, and to subscribe for, and take any shares, stock, debentures, debenture stock or other obligations of any such companies, syndicates and partnerships
- 4 12 To enter into partnerships or into any arrangement for sharing profits, union of interest, co-operation, reciprocal concessions or otherwise, with any person or company carrying on a business similar to or which may be conveniently carried on with any business of the Company
- 4 13 To borrow and raise money in any manner and to secure the same in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, mortgages, charges, perpetual or otherwise charged upon all or any of the Company's property (both present and future) including its uncalled capital
- 4 14 To make, draw, accept, endorse and negotiate bills of exchange or other negotiable instruments
- 4 15 To lend money to such persons, and upon such terms and subject to such conditions as may seem expedient
- 4 16 To pay all or any expenses incurred in connection with the formation, promotion and incorporation of the Company and to remunerate any person or company for services rendered in placing, or assisting to place, any of the shares in the Company's capital or any debentures or other security of the Company, or in or about the formation or promotion of the Company or the conduct of its business
- 4 17 To give credit to or guarantee, or become security for the performance of any contract by any person, company or association which may seem desirable in the interests of the Company
- 4 18 To support or subscribe to any charitable object or any institution and to give pensions, gratuities or assistance to any person who has served the Company, whether as a director, employee or otherwise, and his family and dependants, to make payments towards insurance, and to form, establish and contribute to provident, superannuation and other similar funds and trusts for the benefit of such persons as aforesaid
- 4 19 To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of the company, or of undertaking any business or operations which seem likely to assist or benefit the Company and to underwrite, subscribe for or otherwise acquire all or part of the shares of any such company as aforesaid
- 4 20 To invest any of the monies of the Company not immediately required for its operations in such manner, with or without security, as the Directors may determine and to hold, sell or otherwise dispose of any such investment
- 4 21 To procure the Company to be registered or recognised in any country or place abroad

- 4 22 To construct and maintain any buildings or machinery which may be convenient for the business of the Company
- 4 23 To apply for, promote, and obtain any Act of Parliament, Provisional Order, or Licence of the Board of Trade or other authority 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
- 4 24 To enter into any arrangements with any Governments or authorities (supreme, municipal, local, or other otherwise), or any companies, firms, or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, company, firm, or person any charters, contracts, decrees, rights, privileges, and concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges, and concessions
- 4 25 To establish, subscribe to, subsidise or otherwise aid or help in the establishment or support of any associations, institutions, clubs, funds, trusts and schemes calculated to be for the benefit of or to advance the well being or welfare of the Directors, ex-Directors, officers, ex-officers, employees or ex-employees of the Company or the families, dependants or connections of such persons and whether or not including the grant of options to subscribe for shares in the Company and to establish and contribute to any scheme for the purchase by trustees of all or any of such class of persons as aforesaid of shares in the Company to be held for the benefit of all or any of such class of person as aforesaid and to lend money or otherwise provide assistance to enable such persons to purchase shares in the Company or any other company within any group of companies of which the Company may be a member
- 4 26 To purchase and maintain insurance for, or for the benefit of, any persons who are, or were at any time directors, alternate directors, officers or employees or auditors of the Company against any liability which by virtue of any rule of law would be incurred by them in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company
- 4 27 To carry out all or any of the above objects as principals or agents or in partnership or conjunction with any other person, firm, association or company or through agents or trustees, or by means of any subsidiary or auxiliary company or otherwise and in any part of the world
- 4 28 To do all such acts or things as are incidental or conducive to the attainment of the above objects

It is hereby expressly declared that each sub-clause of this clause shall be construed independently of the other sub-clauses hereof, and that none of the objects mentioned in any sub-clause shall be deemed to be merely subsidiary to the objects mentioned in any other sub-clause

5 The liability of the Members is limited

- 6 The Share Capital of the Company is £12,500,000 divided into 250,000,000 Ordinary Shares of 5p each The Company has power to increase and divide the shares into several classes and attach thereto any preferential or special rights, privileges or conditions in accordance with the regulations of the Company ²

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

NAME, ADDRESSES AND DESCRIPTIONS OF
SUBSCRIBERS

Number of Shares
taken by each
Subscriber

ERVIN POWELL
18 Fearnville Grove
Leeds 8
Radio Factor

One

LILIAN POWELL
18 Fearnville Grove
Leeds 8
Secretary

One

Dated this 11th day of December 1952
Witness to the above Signatures -

LESLIE M DOWGILL
54 Merrion Street
Leeds 2
Accountant and Auditor

By an Ordinary Resolution dated 24th July 1963 the authorised share capital of the Company was increased to £1,000 divided into 1000 ordinary shares of £1 each ranking pari passu. By an Ordinary Resolution dated 29th December 1964 the authorised share capital was increased to £2,000 divided into 2000 ordinary shares of £1 each ranking pari passu. By a Special Resolution dated 15th March 1965 each of the existing ordinary shares was sub-divided into ten ordinary shares of 2s each and thereafter the authorised share capital was increased to £250,000 divided into 2,500,000 ordinary shares of 2s each. By a Special Resolution dated 14th September 1973 the authorised share capital was increased to £300,000 by the creation of 500,000 ordinary shares of 10p each. By an Ordinary Resolution dated 3rd June 1987 the authorised share capital was increased to £550,000, consisting of ordinary shares of 10p each. By an Ordinary Resolution dated 17th June 1988 the authorised share capital was increased to £1,225,000, consisting of ordinary shares of 10p each. By a Special Resolution dated 12th April 1989 the authorised share capital was increased to £2,000,000, consisting of ordinary shares of 10p each.

By Ordinary Resolution of the Company dated 8th January 1990 the authorised share capital of the Company was increased to £9,000,000. By a Special Resolution dated 3rd May 1991 the authorised share capital of the Company was increased to £10,000,000 by the creation of 22,000,000 Ordinary Shares of 5p each and thereafter reduced to £8,234,647 by the cancellation of 20,726,145 unissued deferred shares of 9p each.

By a capital reduction confirmed by the Court on 26th June 1991 the authorised share capital of the Company was reduced to £2,000,000 by the cancellation of 69,273,855 deferred shares of 9p each.

By Special Resolution of the Company dated 8th January 1992, the authorised share capital of the Company was increased to £3,000,000. By Special Resolution of the Company dated 15th October 1992 the authorised share capital of the Company was increased to £6,000,000. By Special Resolution of the Company dated 18th August 1993, the authorised share capital of the Company was increased to £12,500,000.

By an Ordinary Resolution of the Company dated 21st December 1994, the authorised share capital of the Company was increased to £16,500,000.

By an Ordinary Resolution of the Company dated 30th October 1998, the authorised share capital of the Company was increased to £21,500,000.

By an Ordinary Resolution of the Company dated 30th October 1998, every 5 ordinary shares of 5p each in the capital of the Company were consolidated into one ordinary share of 25p in the capital of the Company.

By an Ordinary Resolution of the Company dated 14th August 2003, the authorised share capital of the Company was increased to £30,000,000 by the creation of a further 34,000,000 ordinary shares of 25p each.

By a Special Resolution of the Company dated 9th November 2007, every issued ordinary share of 25p each in the capital of the Company was sub-divided and converted into one ordinary share of 1p each and one deferred share of 24p each. By the same resolution, every authorised but unissued ordinary share of 25p each in the capital of the Company was sub-divided and reclassified as 25 ordinary shares of 1 each. By that resolution, every ordinary share shall rank pari passu in all respects and form one uniform class of shares. The deferred shares shall have the rights and be subject to the restrictions set out in the Company's Articles of Association.

THE COMPANIES ACT 1948

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NXT PLC

COMPANY NUMBER 514718

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

NXT PLC ¹

(Amended by Special Resolution passed on 9th November 2007)

1 The regulations contained in Table A in The Companies (Table A to F) Regulations 1985 as amended by The Companies (Table A to F) (Amendment) Regulations 1985 shall not apply to the Company

2 In these Articles, unless the context otherwise requires -

WORDS

MEANINGS

"the Act"

means the Companies Act 1985,

"the Statutes"

means the Act and every other Act for the time being in force concerning companies and affecting the Company and every statutory modification or re-enactment thereof for the time being in force,

"these Articles"

means these Articles of Association or other articles of association of the Company from time to time in force,

"the Auditors"

means the Auditors for the time being of the Company,

"the Board"

means the Directors of the Company for the time being or any duly authorised committee acting within its authority,

"the Chairman"

means the Chairman of the Board or of a General Meeting as the context requires,

"the Director"

means a Director for the time being of the Company,

"dividend"

includes bonus,

"Extraordinary Resolution"

has the meaning attributed to it by the Act,

"General Meeting"

means a meeting of the Members or a meeting of a separate group of Members,

"Member"

means a shareholder of the Company for the time being,

¹ By a Special Resolution dated 30th October 1998 the Company changed its name from Venty Group plc to NXT plc

"month"	means calendar month,
"the office"	means the registered office for the time being of the Company,
"Ordinary Resolution"	has the meaning attributed to it by the Act,
"paid up"	includes credited as paid up,
"the Register"	means the Register of Members required to be kept by Section 352 of the Act,
"the Seal"	means the common seal of the Company,
"Special Resolution"	has the meaning attributed to it by the Act,
"Stock Exchange"	means the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited,
"the United Kingdom"	means Great Britain and Northern Ireland,
"in writing" and "written"	includes printing, lithography, typewriting, photography, facsimile and other modes of representing or reproducing words in visible form, and
"year"	means the year from the 1 st January to 31 st December inclusive

The expression "Secretary" shall include a temporary or assistant secretary of the Company and any person appointed by the Board to perform any of the duties of the Secretary

Any reference herein to the provisions of any Act shall extend to and include any amendment or re-enactment of or substitution for the same effected by any subsequent Statute

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

Words importing the masculine gender only shall include the feminine gender

Words importing individuals shall include corporations

Subject as aforesaid, and unless the context otherwise requires, words and expressions defined in the Statutes shall bear the same meanings in these Articles

To the extent that the Act and the Statutes permit matters to be carried out if permitted in the Articles, subject to any other express provisions in these Articles, the Company is authorised to do all such matters as permitted by the Act and the Statutes

BUSINESS

- 3 Any branch or kind of business, which the Company is either expressly or by implication authorised to undertake, may be undertaken at such place or places and at such time or times as the Board thinks fit, and may be suffered to be in abeyance, whether already commenced or not, so long as the Board deems it expedient not to commence or proceed with such branch or kind of business

SHARE CAPITAL

- 4
- 4 1 The authorised share capital of the Company at the date of the adoption of this Article is £30 million divided into 731,805,048 Ordinary Shares of 1 pence each and 94,508,123 deferred shares of 24 pence each (the "Deferred Shares")
- 4 2 The Deferred Shares shall have the following rights and be subject to the following restrictions
- 4 2 1 the holders of the Deferred Shares shall not, by virtue of or in respect of their holdings of Deferred Shares, have the right to receive notice of any General Meeting of the Company nor the right to attend, speak or vote at any such General Meeting,
- 4 2 2 save as required by law, the Company need not issue share certificates to the holders of Deferred Shares in respect of their holding thereof,
- 4 2 3 the holders of the Deferred Shares shall not be entitled on a return of assets in a winding-up, reduction of capital or otherwise to receive any amount whatsoever, either by way of repayment of the amount paid up or credited as paid up in respect of the nominal value thereof or by way of participation in surplus assets,
- 4 2 4 each Deferred Share shall entitle the holder to receive a dividend of 1 pence in respect of each financial year of the Company if, but only if, there shall have been paid to the holders of the Ordinary Shares in respect of the same financial year of the Company a dividend of not less than £100,000 per share,
- 4 2 5 in the event that the share capital of the Company is reduced by the reduction of any capital paid up on any shares and the cancellation of such shares then, prior to any such reduction or cancellation in respect of any other class of share, the capital paid up, or credited as paid up, on the Deferred Shares shall be reduced to zero and the Deferred Shares shall be cancelled without any payment or other compensation to the holders thereof,
- 4 2 6 the directors shall have irrevocable authority at any time after the adoption of this Article to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof

and/or an agreement to transfer the same, without making any payment to the holders thereof, to such person as the directors may determine as custodian thereof and to cancel and/or acquire the same (in accordance with the provisions of the 1985 Act (as amended)) without making any payment to or obtaining the sanction of the holders thereof, and, pending such transfer and/or cancellation and/or purchase, to retain the certificate, if any, for such Deferred Shares. The Company may, at its option at any time after the adoption of this Article, purchase all or any of the Deferred Shares then in issue, at a price not exceeding 1 pence for all the Deferred Shares so purchased upon giving the registered holders of such Deferred Share or Deferred Shares not less than 28 days previous notice in writing of its intention so to do, fixing a time and place for such purchase, and

- 4.2.7 the limitations on the rights of the holders of Deferred Shares contained in this Article 4.2 shall apply notwithstanding any contrary provision contained in these Articles

VARIATION OF RIGHTS

- 5 If at any time the share capital is divided into different classes of shares, the rights attached to any class or any of such rights may, subject to the provisions of Section 127 of the Act, whether or not the Company is being wound up, be modified, abrogated or varied with the consent in writing of the holders of three-fourths in the nominal value 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 the class
- 6 To every such separate General Meeting the provisions of Sections 369, 370 and 376 of the Act and of these Articles relating to General Meetings shall, mutatis mutandis, apply, subject to the following provisions, namely -
- 6.1 the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy, and
- 6.2 any holder of shares of the class in question present in person or by proxy may demand a poll
- 7 The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not to be modified, abrogated or varied by the creation or issue of further shares ranking *pari passu* therewith

SHARES

- 8 Subject to the provisions of the Companies Acts, and in particular to those conferring rights of pre-emption, and without prejudice to any rights attached to any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other

rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine

- 9 The Company may purchase its own shares (including any redeemable shares) in any manner authorised by the Act and with and subject to all prior authorities of the Company in General Meeting as specified under the Act Provided that the Company may not purchase any of its shares under this Article if as a result of the purchase of the shares in question there would no longer by any Member holding shares in the Company other than redeemable shares
- 10 The Company may exercise the powers of paying commission conferred by Section 97 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said Section and the rate of the commission shall not exceed the rate of ten percent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent of such price (as the case may be) Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares 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
- 11 Subject to the provisions of the Statutes (and of any resolution of the Company in General Meeting passed pursuant thereto) and of these presents, all unissued shares shall be at the disposal of the Board and it may allot with or without conferring a right of renunciation, grant options over or otherwise dispose of them to such persons, at such time and on such terms as they think proper
- 12 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 (even when it has notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided under an order of a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder

SHARE CERTIFICATES

- 13 Every share certificate shall be issued under the Seal or under the official seal kept by the Company by virtue of Section 40 of the Act and shall specify the number and class and the distinguishing number (if any) of the shares to which it relates and the amount paid thereon No certificate shall be issued relating to shares of more than one class
- 14 Every person (other than a stock exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a Member on the Register shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the shares registered in his name or, in the case of shares of more than one class being registered in his name, a

separate certificate for each class of shares so registered, and where a Member transfers some of the shares of any class registered in his name he shall be entitled without payment to one certificate for the balance of the shares of that class retained by him

- 15 In respect of shares of one class held jointly by more than one person the Company shall not be bound to issue more than one certificate, and delivery of a certificate for such shares to the person first named on the Register in respect of such shares shall be sufficient delivery to all such holders
- 16 If any certificate be worn out or defaced then upon delivery thereof to the Board it may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board and on such indemnity with or without security as the Board deems adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate
- 17 Every certificate issued under the last preceding Article shall be issued without payment, but there shall be paid to the Company any exceptional out-of-pocket expenses of the Company in connection with the request as the Board thinks fit

CALLS ON SHARES

- 18 The Board may, subject to the terms of allotment thereof, from time to time make such calls upon the Members as they think fit in respect of all monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and each Member shall (subject to receiving at least one month's notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed, in whole or in part, as the Board may determine
- 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 required to be paid by instalments
- 20 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 21 If a sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest on the sum at such rate, not exceeding four per cent per annum over the base rate of the Company's bankers from time to time, as the Board may determine from the day appointed for the payment thereof until the actual payment thereof, and all expenses that may have been incurred by the Company by reason of such non-payment, but the Board may, if it shall think fit, waive the payment of such interest and expenses or any part thereof
- 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 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, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, 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, on the issue of shares, make arrangements for a difference between the holders of such shares in the amounts of calls to be paid and in the times of payment of such calls
- 24 The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the monies, whether on account of the nominal value of the shares or by way of premium, uncalled and unpaid upon any shares held by him, and upon all or any of the monies so paid in advance the Board may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) the base rate percentage per annum of the Company's bankers from time to time as may be agreed upon between the Board and the Member paying such moneys in advance

FORFEITURE AND LIEN

- 25 If any Member fails to pay any call or instalment in full on or before day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring him to pay so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment
- 26 The notice shall specify a further day (not earlier than the expiration of fourteen days after the date of service of the notice) on or before which and the place where such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call or instalment is payable will be liable to be forfeited
- 27 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such 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 Board to that effect. Such forfeiture shall extend to all dividends declared in respect of the shares so forfeited and not actually paid before such forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Board. The Board may accept a surrender of any share liable to be forfeited hereunder
- 28 When any share has been forfeited notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share, or the person entitled to the share by transmission, and an entry of the forfeiture or surrender, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid
- 29 A share so forfeited or surrendered shall be deemed to be the property of the Company, and may be sold re-allotted or otherwise disposed of in such manner, either subject to or discharged from all calls made or instalments due

prior to the forfeiture or surrender, as the Board thinks fit. For the purpose of giving effect to any such sale or other disposition the Board may authorise some person to transfer the share so sold or otherwise disposed of to the purchaser thereof or other person becoming entitled thereto.

- 30 The Board may, at any time before any share so forfeited or surrendered shall have been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon such terms as it thinks fit.
- 31 Any person whose shares have been forfeited or surrendered shall cease to be a Member in respect of those shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture or surrender, were presently payable by him to the Company in respect of the shares, together with interest thereon at such rate, not exceeding four per cent over the base rate per annum of the Company's bankers from time to time, as the Board may determine from the time of forfeiture until the time of payment, but his liability shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares, together with interest as aforesaid. The Board may, if it shall think fit, waive the payment of such interest or any part thereof.
- 32 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of such share, but the Board may at any time waive any lien which has arisen and may 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.
- 33 The Company may sell, in such manner as the Board thinks fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing (i) stating, and demanding payment of, the sum presently payable, and (ii) giving notice of intention to sell in default of such payment, 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.
- 34 The net proceeds of such sale, after payment of the costs thereof, shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser.
- 35 A statutory declaration in writing that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall 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, surrender, sale, re-allotment or disposal of the share

TRANSFER OF SHARES

- 36 The instrument of transfer of any share in the Company shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, shall be signed by or on behalf of the transferee) and 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
- 37 All transfers of shares not represented by warrant to bearer shall be effected by instrument in writing in any usual or common form or any other form which the Board may approve
- 38 The Board may, in its absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share which is not fully paid or any transfer of shares on which the Company has a lien. The Board may likewise refuse to register any transfer of a share, whether fully paid or not, in favour of more than four persons jointly
- 39 The Board may decline to recognise any instrument of transfer unless -
- 39 1 the instrument of transfer is left at the Office, or at such other place as the Board may from time to time determine, to be registered, accompanied by the certificate(s) 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 (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and
- 39 2 the instrument of transfer is in respect of only one class of share
- 40 If the Board refuses to register a transfer it shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal and (except in the case of fraud) return to him the instrument of transfer. All instruments of transfer which are registered may be retained by the Company
- 41 No fee shall be charged by the Company on the registration of any instrument of transfer, probate, letters of administration, certificates of death or marriage, power of attorney, stop notice or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares
- 42 The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares and provided always that such registration shall not be suspended, either generally or otherwise, for more than thirty days in any year
- 43 The company shall be entitled to destroy -

- 43 1 any instrument of transfer which has been registered, at any time after the expiration of six years from the date of registration thereof,
- 43 2 any dividend mandate or any variation or cancellation thereof or any notification of change of address, at any time after the expiration of two years from the date of recording thereof,
- 43 3 any share certificate which has been cancelled, at any time after the expiration of one year from the date of such cancellation, and
- 43 4 any other document on the basis of which any entry in the Register is made, at any time after the expiration of six years from the date an entry in the Register was first made in respect of it,

and it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company and provided always that -

- 43 5 the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to any claim,
- 43 6 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso 43 5 above are not fulfilled, and
- 43 7 references in this Article to the destruction of any document include references to its disposal in any manner

TRANSMISSION OF SHARES

- 44 In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons
- 45 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be 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, but the Board shall, in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before his death or bankruptcy, as the case may be
- 46 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 evidence his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfers as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

- 47 A person becoming entitled to a share by reason of death or bankruptcy of the holder shall, upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, 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. If he fails either to transfer the share or to elect to be registered as a member in respect of it within sixty days of being required by the Board to do so, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

CONVERSION OF SHARES INTO STOCK

- 48 The Company may by Ordinary Resolution convert any of its fully paid up shares into stock with the same principal amount as the par value of the shares so converted, and reconvert such stock into fully paid up shares of the same class and of any denomination.
- 49 The several 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 previously to conversion have been transferred, or as near thereto as circumstances permit, and the Board may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- 50 The several holders of such stock shall, according to the amount of stock held by them and the class thereof, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- 51 Such of the provisions of these Articles as are applicable to fully paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

SHARE WARRANTS TO BEARER

- 52 Subject to the provisions of the Statutes the Board may issue under the Seal share warrants to bearer in respect of any fully paid shares, and all shares while represented by warrants shall be transferable by delivery of the

warrants relating thereto and may provide by coupons or otherwise for the payment of future dividends on the shares included in such warrants

- 53 Any person applying to have a share warrant issued to him shall at the time of application, pay, if so required by the Board the stamp duty (if any) payable in respect thereof, or if the Company shall previously have compounded for such stamp duty, then such sum (if any) as the Board may determine in respect of the amount payable or paid by the Company for such composition and also such fee (if any) as the Board shall from time to time fix
- 54 The Board may determine and from time to time vary the conditions upon which share warrants may be issued and in particular upon which a new share warrant or coupon will be issued in the place of one worn out, defaced or destroyed, and upon which the bearer of a share warrant shall be entitled to attend and vote at General Meetings, provided that no new share warrant shall be issued except on proof that the original warrant has been destroyed
- 55 Subject to the provisions of these Articles and of the Statutes, the bearer of a share warrant shall be deemed to be a Member of the Company to the full extent, and shall be subject to the conditions for the time being in force
- 56 If the bearer of a share warrant shall surrender it to be cancelled together with all outstanding dividend coupons (if any) and make an application in writing signed by him in such form and authenticated in such manner as the Board shall require requesting to be registered as a Member in respect of the share or shares specified in the share warrant, and stating in such application his name, address and occupation, he shall be entitled to have his name entered as a Member in the Register in respect of the share or shares specified in the share warrant so surrendered

ALTERATION OF CAPITAL

- 57 The Company may from time to time by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, forfeiture, lien, transfer and transmission and otherwise
- 58 The Company may by Ordinary Resolution -
- 58 1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 58 2 sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, provided that -
- 58 2 1 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
- 58 2 2 the resolution whereby any share is sub-divided may determine that as between the resulting shares one or more of such shares may be given any preference or

advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares,

- 58 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
- 59 Subject to any direction by the Company in General Meeting, whenever as the result of any consolidation or sub-division and consolidation of shares Members are entitled to any issued shares of the Company in fractions, the Board may deal with such fractions as it shall determine and in particular may sell the shares to which Members are so entitled in fractions for the best price reasonably obtainable and pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sale thereof For the purpose of giving effect to any such sale the Board may nominate some person to execute a transfer of the shares sold on behalf of the Members so entitled to the purchaser thereof and may cause the name of the purchaser thereof to be entered in the Register as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale
- 60 The Company may by Special Resolution reduce its share capital, any redemption reserve fund and any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law

REDEEMABLE PREFERENCE SHARES

- 61 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Company may by Special Resolution create and sanction the issue of shares having special rights attached thereto and which are, or at the option of the Company are to be, liable to be redeemed, subject to and in accordance with the provisions of the Statutes The Special Resolution sanctioning any such issue shall also specify by way of any addition to these Articles the terms on which and the manner in which any such shares shall be redeemed

DISCLOSURE OF INTERESTS

- 62 Sections 211 (with the exception of sub-section (10)), 212 and 213 of the Act shall be deemed to be incorporated into these Articles and accordingly to apply as between the Company and each Member Sections 203 to 205 and 208 of the Act apply for the purpose of construing references in this Article to persons interested in shares and to interests in shares respectively, as they apply in relation to Sections 198 to 201 of the Act (but with the omission of any reference to Section 209 of the Act)
- 62 1 No Member shall, unless the Board otherwise determines, have the right in respect of shares held by him to attend and/or vote at a General Meeting either personally or by proxy, or to exercise any other right conferred by membership in relation to meetings of the Company, if a notice under Section 212 of the Act ("Section 212 notice") has been duly served on him or any person whom the Company knows or has reasonable cause to believe to be interested

in such shares and he or any such person is in default in supplying to the Company the information thereby required within the period of -

- 62 1 1 14 days from the date of service of such notice in the case of a notice where the aggregate nominal value of such shares is at least 0.25 per cent of the aggregate nominal value of the issued shares of the same class at the date of such notice, or
- 62 1 2 28 days from the date of service of such notice in any other case
- 62 2 So long as any shares are the subject of restrictions under Article 62 1, any dividend on those shares will be withheld and any transfer of or agreement to transfer those shares (other than following a sale of the full legal and beneficial ownership of such shares at arms' length) will be void, unless the Board otherwise determines. Transfers may not be refused and dividends may not be withheld if the aggregate nominal value of those shares is less than 0.25 per cent of the aggregate nominal value of the issued shares of the same class
- 62 3 The period during which the rights referred to in Articles 62 1 and 62 2 (or any of them) shall be suspended, shall commence on expiry of the period of 14 days or 28 days (as the case may be) from the date of service of the relevant Section 212 notice and shall continue until -
 - 62 3 1 the defaulter has disclosed the relevant facts about the shares in compliance with the notice to which he is subject as aforesaid and the Board is satisfied that no unfair advantage has accrued to any person as a result of the earlier failure to make that disclosure, or
 - 62 3 2 the shares are transferred following a sale of the full legal and beneficial ownership of such shares at arms' length, or
 - 62 3 3 the Board determines
- 62 4 In the event that any shares are at any time subject to restrictions pursuant to this Article, that fact shall be noted against the name of the registered holder of those shares in the Register kept pursuant to Section 211 of the Act for so long as the restrictions shall continue and the removal of the restrictions shall be recorded in the same manner
- 62 5 For the purpose of this Article a sale shall be presumed to be at arms' length where the sale is made -
 - 62 5 1 through a recognised investment exchange for the purposes of the Financial Services Act 1986 or on any stock exchange outside the United Kingdom on which the Company's shares are normally traded, otherwise than by way of a "put-through", or
 - 62 5 2 pursuant to acceptance of a take-over offer as defined in Section 14 of the Company Securities (Insider Dealing) Act 1985

62 6 For the purpose of ensuring that a particular transfer of shares is pursuant to a sale at arms' length, the Board may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information as the Board may think necessary or relevant. Failing such information being furnished to the satisfaction of the Board within a period of 14 days (where the aggregate nominal value of the shares being transferred is at least 0.25 per cent of the aggregate nominal value of the issued shares of the same class) or 28 days (in any other case) after such request, the Board shall be entitled to refuse to register the transfer in question.

62 7 Any dividends withheld pursuant to this Article shall be paid on removal of the restriction on the payment of dividends on the shares in question and shall not bear interest against the Company. Pending payment, all dividends withheld pursuant to this Article may be invested or otherwise made use of by the Board for the benefit of the Company and the Company shall not be constituted a trustee in respect thereof.

GENERAL MEETINGS

63 The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date 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 Board shall appoint.

64 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

65 The Board may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitions, as provided by Section 368 of the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum the Directors in the United Kingdom capable of acting, or if there are no Directors capable and willing so to act, any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

66 An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by not less than twenty-one days notice in writing, and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by not less than fourteen days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and, in case of special business, the general nature of that business. It shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company,

to each of the Directors and also to the Auditors and shall comply with the provisions of Section 372 of the Act as to informing Members of their right to appoint proxies. A notice calling an Annual General Meeting shall specify the meeting as such and a notice convening a meeting to pass an Extraordinary Resolution or a Special Resolution as the case may be shall specify the intention to propose the resolution as such.

- 67 A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed -

67 1 in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat, and

67 2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right

- 68 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting

PROCEEDINGS AT GENERAL MEETINGS

- 69 All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors and any other documents required by law to be attached or annexed to the balance sheets, the election of Directors in place of those retiring, the appointment of (when special notice of the resolution for such appointment is not required by the Statutes) and the fixing of the remuneration of the Auditors, and the taking of authority by the Board to allot relevant securities pursuant to Section 80 of the Act

- 70 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, save as herein otherwise provided, three Members (or all the Members of the Company if only two in number) present in person and entitled to vote shall be a quorum. The appointment of a Chairman in accordance with the provisions of these Articles shall not be treated as part of the business of the meeting

- 71 If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such time (being not less than fourteen days nor more than twenty-eight days thence) and place as the Chairman shall appoint. If at such adjourned meeting a quorum be not present within half an hour from the time appointed therefor, the Member or Members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days notice of any meeting adjourned for want of a quorum and the notice shall state that the Member or

Members present as aforesaid shall form a quorum and shall have the power aforesaid

- 72 The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman, or if at any General Meeting he shall not be present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Directors present shall select one of their number to be Chairman, or if no Director be present and willing to take the chair the Members present and entitled to vote shall choose one of their number to be Chairman of the meeting
- 73 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 thirty days or more, not less than seven clear days notice in writing of the adjourned meeting shall be given specifying the day, the place and the time of the meeting as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment
- 74 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 show of hands) demanded -
- 74 1 by the Chairman, or
- 74 2 by at least three Members present in person or by proxy and entitled to vote, or
- 74 3 by any Member 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
- 74 4 by a Member or Members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum have been paid up equal to not less than one-tenth of the total sum paid upon all shares conferring that right

Unless a poll be 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 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

- 75 Except as provided in Article 78, if a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded

- 76 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
- 77 A poll demanded on the election of a Chairman or on the question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days after the date of the meeting or adjourned meeting at which the poll is demanded) and place as the Chairman may direct. No notice need be given of a poll not taken immediately. Any business other than that upon which a poll has been demanded may be preceded with pending the taking of the poll. The demand for a poll may be withdrawn

VOTES OF MEMBERS

- 78 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person shall have one vote, and on a poll every Member shall have one vote for each share of which he is the holder
- 79 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share
- 80 A Member who is a patient within the meaning of the Mental Health Act 1983 may vote, whether on a show of hands or on a poll, by his receiver or curator bonis and such receiver or curator bonis may, on a poll, vote by proxy
- 81 No Members shall, unless the Board otherwise determines, be entitled to be present or to vote on any question, either in person or by proxy, at any General Meeting, or upon any poll, or to be reckoned in a quorum, or to exercise any other rights conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him in respect of shares in the Company remains unpaid
- 82 No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the General Meeting, whose decision shall be final and conclusive
- 83 On a poll votes may be given personally or by proxy and a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way
- 84 The instrument appointing a proxy shall be in writing in any usual or common form, or any other form which the Board may approve, under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. The signature on such instrument need not be witnessed

- 85 A proxy need not be a Member A Member may appoint more than one proxy to attend on the same occasion Deposit of an instrument of proxy shall not preclude a Member from attending and voting in person at the meeting or any adjournment thereof
- 86 An instrument appointing a proxy and 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 Office or at such other place (if any) within the United Kingdom as is specified for the purpose in or by way of note to the notice convening the meeting, 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, or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll at which it is to be used, and in default the instrument of proxy shall not be treated as valid
- 87 An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within twelve months from that date
- 88 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, but not otherwise to speak at a meeting
- 89 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office or such other place (if any) as is specified for depositing the instrument of proxy before the commencement of the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given
- 90 Any corporation which is a Member may by resolution of its board of 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, 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

DIRECTORS

- 91 Unless and until the Company in General Meeting shall otherwise determine, the number of Directors shall be not less than two nor more than ten in number
- 92 A Director shall not be required to hold any shares in the capital of the Company A Director who is not a Member shall nevertheless be entitled to receive notice of and attend and speak at all General Meetings of the Company and all separate General Meetings of the holders of any class of shares in the capital of the Company

- 93 No Director shall be required to retire from office as a Director and no person shall be precluded from being appointed or elected as a Director by reason of his attaining or having attained the age of seventy years or any other age. No special notice need be given of any resolution for the appointment or reappointment or approving the appointment as a Director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be appointed or reappointed as such. Section 293 of the Companies Act 1985 shall not apply to the Company.
- 94 A Director may be or continue as or become a director or other officer servant or member of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received or receivable by him as a director or other officer servant or member of, or from his interest in, such other company.
- 95
- 95 1 The Directors shall be paid out of the funds of the Company by way of remuneration for services such remuneration as the Board shall determine or ratify.
- 95 2 The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of the Board or General Meetings or otherwise in connection with the business of the Company.
- 95 3 Any Director who by request performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary or otherwise as the Board may determine.
- 96 The Company shall in accordance with the provisions of Section 325 of the Act duly keep a register for the purposes of Section 324 of the Act showing, as respects each Director, his interest in shares in, or debentures of, the Company or associated companies.
- 96 1 The Board may, from time to time, appoint any manager or other officer or person in the employment of the Company or of any subsidiary company of the Company for the time being to be an Associate Director of the Company.
- 96 2 An Associate Director shall not be required to hold any share qualification.
- 96 3 The appointment of a person to be an Associate Director shall not affect the terms and conditions of his employment by the Company or by any subsidiary company of the Company for the time being.
- 96 4 An Associate Director shall not be entitled to receive notice of or attend at any meeting of the Board except at the invitation of the Board and shall not be entitled to vote at such meetings as he may

attend. He shall not be counted in the number to form a quorum at any such meeting, nor shall he be taken into account in determining the rotation of retirement of Directors or be subject to retirement by rotation, nor shall he be entitled by virtue of holding the office of Associate Director to any particular information regarding the Company's affairs and the Board shall have full power to conduct the business of the Company without reference to him or without his knowledge, nor shall he be deemed for any purposes (whether in the construction of these Articles or otherwise) to be a Director. He shall receive such remuneration as the Board determines.

- 96 5 The office of an Associate Director shall be vacated if the Board resolves that an Associate Director cease to hold such office or if he resigns his office or in the event of his ceasing to be in the employment of the Company in some capacity other than that of Associate Director or any subsidiary company of the Company for the time being or if employed by more than one of such companies then on ceasing to be in the employment of all of them.

BORROWING POWERS

97

- 97 1 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, or any part thereof, and, subject to the Statutes 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.
- 97 2 The Board shall restrict the purposes of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise it can secure) that the aggregate amount for the time being remaining undischarged of all monies borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of an Ordinary Resolution, exceed a sum equal to three times the aggregate of
- 97 2 1 the nominal amount paid up or credited as paid up on the share capital of the Company, and
- 97 2 2 the total of the consolidated capital and revenue reserves of the Group (including any share premium account, revaluation reserve, capital redemption reserve and credit balance on the combined profit and loss account, and reserve created by purchase of shares in the Company), but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries of the Company and deducting any debit balance on the combined profit and loss account, all as shown in the then latest audited consolidated balance sheet of the Group, but adjusted as may be necessary in respect of any variation in

the paid up share capital or share premium account or capital redemption reserve of the Company since the date of its latest audited consolidated balance sheet

97 3 For the purposes of this Article "monies borrowed" shall mean all monies borrowed and without prejudice to the generality of the foregoing shall be deemed to include without limitation -

97 3 1 any amounts raised by the Company or any subsidiary under any acceptance credit and shall also include any amounts raised by way of acceptance (other than acceptances for the purchase of goods in the ordinary course of business),

97 3 2 unless already taken into account the nominal amount of any share capital and the principal amount of any indebtedness the repayment whereof is guaranteed or secured or the subject of an indemnity by the Company or any subsidiary, and

97 3 3 the principal amount for the time being outstanding in respect of any debenture of the Company or any subsidiary as defined in Section 736 of the Companies Act 1985 (as amended) and any fixed or minimum premium on final repayment thereof

but shall not include

97 3 4 borrowings by the Company from any subsidiary or borrowings by one subsidiary from another or by a subsidiary from the Company,

97 3 5 that proportion of the borrowings of a partly owned subsidiary which corresponds to the proportion of its equity share capital not beneficially owned directly or indirectly by the Company (but only to the extent that an amount equivalent to such proportion exceeds borrowings if any from such partly owned subsidiary by the Company or another subsidiary),

97 3 6 borrowings for the purposes of repaying the whole or any part of the borrowings by any of the Company and its subsidiaries for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period,

97 3 7 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any of the Company and its subsidiaries is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is guaranteed or insured,

- 97 3 8 sums advanced or paid to any member company of the Group (or its agent or nominee) by customers of any member of the Group as unexpended customer receipts or progress payments pursuant to any contract between such customer and a member of the Group in relation thereto,
- 97 3 9 sums which fail to be treated as monies borrowed by any member company of the Group by reason only of any current statement of standard accounting practice or other accounting principle or practice, and
- 97 3 10 monies held by any member company of the Group whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants,

and "moneys borrowed" shall for the purpose of this Article be calculated after having added back to borrowings or proposed borrowings all cash reserved, cash in hand and cash on current account with banks which, in any such case, is available to the Company or any of its subsidiaries on demand or within six months of demand

97 4 For the purpose of this Articles "cash deposited" shall mean an amount equal to the aggregate for the time being outstanding of all cash deposits (otherwise than on current account) with banks, certificates of deposit and securities of governments and companies and similar instruments owned by the Company and/or any subsidiary of the Company but excluding –

- 97 4 1 a proportion of the total amount for the time being outstanding of cash deposits and certificates of deposit and securities of governments or companies and similar instruments owned by any partly owned subsidiary which would otherwise fall to be included, such proportion being that which the issued ordinary share capital of such partly owned subsidiary which is not for the time being beneficially owned directly or indirectly by the Company bears to the whole of its issued ordinary share capital, and

- 97 4 2 cash deposits of and certificates of deposits and similar instruments representing any moneys held by any member company of the Group whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants

97 5 When moneys denominated or repayable in a currency other than sterling fall to be taken into account on any day for the purposes of this Article, such moneys shall be converted for the purpose of calculating the sterling equivalent either –

- 97 5 1 at the rate of exchange prevailing on that day in London provided that all but not some only of such monies shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of

exchange shall be taken as the middle market rate as at the close of business), or

97 5 2 where the repayment of such monies is expressly covered by a forward purchase contract at the rate of exchange specified therein

97 6 A report by the Auditors as to the aggregate amount which may at any one time be borrowed by the Company and/or as to the amount which falls to be treated as monies borrowed and/or cash deposited for the purposes of this Article shall be conclusive of the Company and all persons dealing with the Company

97 7 No debt incurred or security given in respect of moneys borrowed or to be taken into account as moneys borrowed in excess of the aforesaid 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, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed

POWERS AND DUTIES OF DIRECTORS

98 The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not, by the Statutes or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless, to the provisions of these Articles and of the Statutes, and to such directions, being not inconsistent with any provision of these Articles and of the Statutes, as may be given by the Company in General Meeting provided that no direction given by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such direction had not been given. The general powers conferred upon the Board by this Article shall not be deemed to be abridged or restricted by any specific power conferred upon the Board by any other Article

99 The Board may exercise all the powers of the Company to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds (whether contributors or non-contributors) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such funds or scheme or otherwise)

100 The Board may make such arrangements as it thinks fit for the management and transaction of the Company's affairs in the United Kingdom and elsewhere and may from time to time and at any time establish any local boards or agencies for managing any of the affairs of the Company in any specified locality, and may appoint any persons to be members of such local

board, or any managers or any persons to be members of such local board, or any managers or agents, and may fix their remuneration. The Board may from time to time, and at any time, delegate to any person so appointed any of the powers and authorities for the time being vested in the Board (other than the powers of borrowing and of making calls), with power to sub-delegate, and may authorise the members for the time being of any such local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

101 The Board may from time to time and at any time by power of attorney appoint any company, firm or person or 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 purposes (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and purposes vested in him.

102 The Company may exercise the powers conferred upon the Company by Section 362 of the Act with regard to the keeping of a dominion register, and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting and keeping of any such register.

103

103 1 Subject to Section 319 of the Act a Director may hold any other office or place of profit under the Company, except that of Auditor, in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange. No Director or intending Director shall be disqualified by his office from entering into any contract, arrangement, transaction or proposal with the Company either with regard to his tenure of any such other office or place of profit or any such acting in a professional capacity or as a vendor, purchaser or otherwise. Subject to the provisions of Part X of the Act and save as therein provided no such contract, arrangement, transaction or proposal entered into by or on behalf of the Company in which any Director or person connected with him is in any way interested, whether directly or indirectly, shall be liable to be avoided, nor shall any Director who enters into any such contract, arrangement, transaction or proposal or who is so interested be liable to account to the Company for any profit realised by any such contract, arrangement, transaction or proposal by reason of such Director holding that office or of the fiduciary relation thereby established, but he shall declare the nature of his interest in accordance with Section 317 of the Act.

103 2 Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest or duty which conflicts or may conflict with the

interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs

- 103 2 1 the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries,
- 103 2 2 the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security,
- 103 2 3 the resolution relates to a proposal concerning the offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which either he is or is to be interested as a participant in the underwriting or sub-underwriting thereof,
- 103 2 4 the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes,
- 103 2 5 the resolution relates to any arrangement for the benefit of the employees under which the Director benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates, and
- 103 2 6 the resolution relates to any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purposes of this Article to be material interest in all circumstances), and
- 103 2 7 the resolution relates to insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors

For the purposes of this Article, a Director shall be taken to have an interest which a person has who (for the purposes of Section 346 of the Act) is connected with him

- 103 3 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote
- 103 4 The Company may by Ordinary Resolution, suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a Director from voting at a meeting of the Board or of a committee of Directors and may ratify any transactions not duly authorised by reason of a contravention of this Article
- 103 5 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and if not debarred under the proviso to paragraph 103 2 6 of this Article each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment
- 103 6 If a question arises at a meeting of the Board or of a committee of Directors as to the materiality of a Director's interest or as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive
- 104 The Board may exercise or procure the exercise of the voting rights conferred by the shares in any other company held or owned by the Company, and may exercise any voting rights to which they are entitled as directors of such other company, in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, officers or servants of such other company, and fixing their remuneration as such, and may vote as Directors in connection with any of the matters aforesaid
- 105 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time determine
- 106 The Board shall cause minutes to be made in books provided for the purposes
- 106 1 of all appointments of officers made by the Board,
- 106 2 of the names of the Directors present at each meeting of the Board and of any committee of the Directors,
- 106 3 of all resolutions and proceedings at all meetings of the Company, and of the Board and of committees of Directors

DISQUALIFICATION OF DIRECTORS

- 107 The office of a Director shall be vacated in any of the following events, namely

- 107 1 if he becomes bankrupt or if he shall have a receiving order made against him or in Scotland have his estate sequestrated or makes any arrangements or composition with his creditors generally,
- 107 2 if he becomes prohibited by law from acting as a Director,
- 107 3 if in England or elsewhere an order is made by any court claiming jurisdiction on that behalf on the ground (however formulated) of mental disorder or his becoming a patient under the Mental Health Act 1983 for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his property or affairs,
- 107 4 if he resigns his office by notice in writing under his hand to the Company or offers in writing under his hand to resign and the Board resolves to accept such offer,
- 107 5 if not having leave of absence from the Board, he fails to attend the meetings of the Board for six successive months, unless prevented by illness, unavoidable accident or other cause which may seem to the Board to be sufficient and the Board resolves that his office be vacated, and
- 107 6 if he ceases to be a Director by virtue of any provision of the Statutes or pursuant to these Articles

ROTATION AND APPOINTMENT OF DIRECTORS

- 108 At each Annual General Meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. A Director retiring at a meeting shall retain office until the dissolution of such meeting
- 109 The Directors to retire in each year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election
- 110 No person other than a Director retiring at the Annual General Meeting shall or unless recommended by the Board be eligible for election to the office of Director at any General Meeting unless not less than seven days' nor more than twenty-one days' before the date appointed for the meeting there shall have been left at the Office notice in writing, signed by a Member duly qualified to attend and vote at such meeting, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected
- 111 The Board shall have power at any time, and from time to time, to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed by or pursuant to these Articles. Any Director so appointed shall hold office only until the next

following Annual General Meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meetings

- 112 The Company may in General Meeting appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director removed by the Company in General Meeting or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director

PROCEEDINGS OF DIRECTORS

- 113 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. 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 Board. It shall not be necessary to give notice of a meeting of the Board to a Director who is not within the United Kingdom
- 114 Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. At least twenty-four hours' notice of a Board Meeting shall be required, unless all Directors are present and waive such requirement. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, whether or not out of the United Kingdom
- 115 The continuing Directors or sole continuing Director may act notwithstanding any vacancy in the Board 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 a meeting of the Board, the continuing Directors or Director 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
- 116 The Board may elect a Chairman of their meetings and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting
- 117 The Board may delegate any of its powers to committees other than the powers to borrow and make calls consisting of such Member or Members of their body as they think fit. 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. Save as aforesaid the meetings and proceedings of a committee consisting of more than one Member shall be governed by the provision of these Articles regulating the proceedings and meetings of the Board

- 118 All acts done by any meeting of the Board or of a committee of the Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director, and was entitled to vote
- 119 A resolution in writing, signed by all the Directors for the time being in the United Kingdom and entitled to receive notice of a meeting of the Directors not being less than the number of Directors required to form a quorum for a meeting, shall be as valid and effective for all purposes as a resolution of the Board or a committee of the Directors as the case may be passed at a meeting duly convened and held, and may consist of two or more documents in like form each signed by one or more of the Directors or other members of a committee of Directors
- 120 Any Director may form part of a meeting of the Board (whether or not he shall have been given notice of the meeting) by means of conference telephone, video or similar communication equipment whereby all the Directors participating in the meeting and any such Director can hear each other throughout all relevant discussions. The Director so participating will be counted in the quorum of the meeting and may vote orally and any vote so given shall be counted. The Director may be required by any other Director present in person at the meeting to sign, by way of confirmation, either the original minutes of the meeting (which shall refer to his participation) or a written memorandum to be attached to such minutes recording the decisions in which he participated, but neither the proceedings of the meeting nor the record thereof shall be invalidated by any failure by the Director to observe any such requirement

MANAGING AND EXECUTIVE DIRECTORS

- 121 Subject to Section 319 of the Act the Board may from time to time appoint one or more of its body to the office of Managing Director or to hold such other Executive Office in relation to the management of the business of the Company as it may decide, for such period and on such terms as it thinks fit, and subject to the terms of any service contract entered into in any particular case and, without prejudice to any claim for damages such Director may have for breach of any such service contract, may revoke such appointment
- 122 The Board may entrust to and confer upon a Managing Director or such Executive Director any of the powers exercisable by it upon such terms and conditions with such restrictions as it may think fit, and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers
- 123 A Director appointed to the office of Managing Director shall not, while holding that office, be subject to retirement by rotation, but he shall (subject to the provisions of any contract between himself and the Company) be subject to the same provision as to resignation and removal as the other Directors, and

if he ceases from any cause to be a Director he shall ipso facto cease to be a Managing Director

- 124 An Executive Director shall not as such be exempt from retirement by rotation, and his tenure of the office or employment by virtue of his holding whereof he is an Executive Director shall not be determined by reason only of his ceasing for any reason to be a Director, but (subject to the terms of any contract between him and the Company) may be determined at any time by resolution of the Board
- 125 The remuneration 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 admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provisions of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund

ALTERNATE DIRECTORS

- 126 Any Director may at any time appoint any other Director or with the consent of the Board (such consent not to be unreasonably withheld) appoint any other person to be an Alternate Director of the Company and may at any time remove any Alternate Director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company. Every person acting as an Alternate Director shall be an officer of the Company and he shall not be deemed to be the agent of the Director of whom he was appointed
- 127 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 to receive notices of all meetings of the Board and all committees of the Directors of which the Director appointing him is a member and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform purposes the functions of his appointor as a Director in his absence, including that of counting in a quorum at any such meeting
- 128 An Alternative Director shall ipso facto cease to be an Alternate Director if his appointor ceases for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting
- 129 Every appointment and removal of an Alternate Director shall be effected by notice in writing to the Company under the hand of the Director making or revoking such appointment
- 130 A Director or any other person duly appointed as an Alternate Director may act to represent more than one Director, and a Director appointed as an Alternate Director shall be entitled at Board Meetings and all committees of the Directors of which the Director appointing him is a member to one vote for every Director whom he represents in addition to his own vote as a Director

SECRETARY

- 131 Subject to Sections 10 and 286 of the Act the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it thinks fit, and any Secretary may be removed by it. The provisions of Section 283 and 284 of the Act shall be observed.

THE SEAL

- 132 The Board shall provide for the safe custody of the Seal and any official seal kept under Section 40 of the Act, and neither shall be used without the authority of the Board or of a committee of the Directors authorised by the Board in that behalf. Every instrument to which either shall be affixed shall unless otherwise provided by the Board with respect to specified documents be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

AUTHENTICATION OF DOCUMENTS

- 133 Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Board, or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

RESERVES

- 134 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks 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 as the Board thinks fit. The Board may divide the reserve into such special funds as it thinks fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

DIVIDENDS

- 135 The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 136 The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and the Board may also pay the fixed dividend payable on any shares of the

Company issued with preferential rights half-yearly or otherwise on fixed dates whenever such profits justify that course in the Board's opinion

- 137 Subject to the rights of persons, if any, entitled to shares with any priority, preference or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any 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 full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly
- 138 The Board may deduct from any dividend or other monies payable to any Member on or in respect of a share 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
- 139 Any General Meeting declaring a dividend may upon the recommendation of the Board direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board
- 140 The Company may pay any dividend, interest or other money payable in cash in respect of shares, by direct debit, bank transfer, cheque, dividend, warrant or money order and may remit the same by post directed to the registered address of the holder in the case of joint holders, to the registered address of the joint holder whose name stands first in the Register, or to such person and to such address as the holder or joint holders may in writing direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order. Every such cheque, warrant or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders may in writing direct, and the payment of such cheque, warrant or order shall be a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the share held by him as joint holder
- 141 No dividend or other monies payable on or in respect of a share shall bear interest against the Company
- 142 All dividends, interest or other sums payable unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after having been declared and become due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or

in respect of any share into a separate account shall not constitute the Company a trustee thereof

- 143 The Board may offer the holders of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of all or any part of such dividend or dividends as may be declared by the Company pursuant to Article 135 or, as the case may be, by the Board pursuant to Article 136, subject to such exclusions or restrictions as the Board may, in its absolute discretion, deem necessary or desirable in relation to compliance with legal or practical problems under the laws, or the requirements of any recognised regulatory body or any stock exchange in any territory. The following provisions shall apply -

143 1 the Board shall not exercise their powers under this Article in respect of a particular dividend unless the Company in General Meeting has by Ordinary Resolution authorised the exercise of those powers in respect of that dividend or in respect of dividends (including that dividend) to be declared or paid during or in respect of a specified period,

143 2 the basis of allotment shall be determined by the Board so that the Relevant Value thereof shall be as nearly as possible equal to (but not in excess of) the cash amount that such shareholder would have received by way of cash dividend. For this purpose "Relevant Value" shall be calculated by reference to the average of the middle market quotations for the Company's Ordinary Shares on The Stock Exchange, as derived from the Daily Official List, on the day when the shares are first quoted "ex" the relevant dividend and for the four subsequent dealing days,

143 3 no shareholder may receive a fraction of a share,

143 4 the Board may make such arrangements as it considers necessary or expedient in relation to any offer to be made pursuant to this Article including but not limited to the giving of notice to shareholders of the right of election offered to them, the provision of forms of election (whether in respect of a particular dividend or dividends or generally) and determination of the procedure for making and revoking such elections and the place at which, and the latest time by which, forms of election and any other relevant documents must be lodged in order to be effective,

143 5 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be declared or payable on shares in respect whereof the said election has been duly made ("the Elected Shares") and instead thereof additional shares shall be allotted to the holders of the Elected Shares on the basis of allotment determined as aforesaid. For such purpose, the Board shall capitalise out of such of the sums standing to the credit of the reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to the holders of the Elected

Shares on such basis. A resolution of the Board capitalising any part of the reserves or profits hereinbefore mentioned shall have the same effect as if such purposes had been declared by Ordinary Resolution in accordance with Articles 135 or 136 and in relation to any such purposes the Directors may exercise all the powers conferred on them by those Articles without the need of such Ordinary Resolution, and

143 6 the additional shares so allotted shall be allotted as at the record date for the dividend in respect of which the right of election has been offered and shall rank *pari passu* in all respects with the fully paid shares then in issue except that the shares so allotted will not rank for any dividend or other distribution or other entitlement which has been declared, made, paid or payable by reference to such record date

144 The Board shall transfer to the share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued

DISTRIBUTION OF CAPITAL PROFITS

145 The Company in General Meeting may from time to time by resolution resolve that any surplus moneys in the hands of the Company representing capital profits arising from the receipt of moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investment representing the same and not required for paying the fixed dividends on any shares issued on special conditions instead of being applied in the purchase of other capital assets or for other capital purposes be distributed amongst the Members on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if they had been distributed by way of dividend provided always that no such profit as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being

CAPITALISATION OF PROFITS

146 The Company may by Ordinary Resolution upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who should have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article only be applied in the paying up of unissued shares to be allotted to Members of the Company as fully paid bonus shares

- 147 Whenever a resolution is passed pursuant to of Article 146 above the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, or any further shares or debentures to which they may be entitled upon such purposes, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members

ACCOUNTS

- 148 The Board shall cause accounting records to be kept in accordance with Section 221 of the Act
- 149 The accounting records shall be kept at the Office or, subject to sub-sections (1) and (2) of Section 222 of the Act, at such other place or places as the Board thinks fit, and shall always be open to the inspection of the officers of the Company
- 150 The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company 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 Board or by the Company in General Meeting
- 151 The Board shall from time to time in accordance with Sections 227, 235 and 242 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections the Act or the Statutes
- 152 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report, shall not less than twenty-one days before the date of the meeting be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company) and every holder of debentures of the Company (whether or not he is so entitled) and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or these Articles, but this Article shall not require a copy of those 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

NOTICES

- 153 A notice may be given by the Company to any Member either personally or by sending it by prepaid post to him or to his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him
- 154 A Member who has no registered address within the United Kingdom, and has not supplied an address within the United Kingdom as aforesaid, shall not be entitled to receive any notice from the Company
- 155 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 to have been effected at the latest within twenty-four hours after the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the same was properly addressed and stamped and put into a post office
- 156 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share
- 157 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, within 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
- 158 Subject to such restrictions affecting the right to receive notice as are for the time being applicable to the holders of any class of shares, notice of every General Meeting shall be given in any manner hereinbefore authorised to -
- 158 1 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 of them,
- 158 2 the Auditor for the time being, and
- 158 3 the Directors and (if any) Alternate Directors No other person shall be entitled to receive notices of General Meetings
- 159 Any notice required to be given by the Company to the Members or any of them, and not otherwise provided for by or pursuant to these Articles, shall be sufficiently given if given by advertisement which shall be inserted once in at least one national daily newspaper Any notice given by advertisement shall be deemed to have been served before noon on the day on which the advertisement appears
- 160 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 date the notice was to have been so sent in at least two leading daily newspapers (at least one of which shall be a London newspaper) 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 forty-eight hours prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

- 161 Notices may be served upon the bearers of share warrants by advertising the same once in a national daily newspaper, and any notice so advertised shall be deemed to have been served upon such bearers.
- 162 Nothing in any of the preceding eight Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

UNTRACED MEMBERS

- 163 The Company shall be entitled to sell as the agent of a Member at the best price reasonably obtainable any share registered in the name of that Member provided that the following conditions are satisfied -
- 163 1 for a period of twelve years no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the Member or to the person entitled by transmission to the share stock or debenture or loan stock at his address on the Register or other the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission provided however that for the provisions of this Article to have effect at least three dividends must have been declared and paid in the aforesaid twelve year period,
- 163 2 the Company has at the expiration of the said period of twelve years by advertisement in both a national daily newspaper and in a newspaper circulating in the area on which the address referred to in Article 163 1 is located given notice of its intention to sell such share, stock or debenture or loan stock,
- 163 3 the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person entitled by transmission, and
- 163 4 the Company has given notice in writing to the Quotations Department of The Stock Exchange of its intention to sell such shares, stock or debenture or loan stock.

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such shares or any of them and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares. The Company

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

WINDING UP

- 164 If the Company shall be wound up the liquidator may, with the sanction of an Extraordinary Resolution and any other sanction required by the Act, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

- 165 Subject to the provisions of the Statutes, every Director or other officer or Auditor for the time being shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 144 (3) or (4) or Section 727 of the Act in which relief is granted to him by the Court and, subject as aforesaid, the Company may purchase and maintain for any Director or other officer or Auditor for the time being of the Company insurance against any liability which by virtue of any law would attach to him in respect of any negligence, default, breach of duty or breach of trust which he may be guilty of in relation to the Company.

Names, addresses and descriptions of Subscribers

ERVIN POWELL
18 Fearnville Grove
Leeds 8

Radio Factor

LILIAN POWELL
18 Fearnville Grove
Leeds 8

Secretary

MILDRED BIRD
Brackenwood
Cookham Dean
Berkshire

Widow

Dated the 11th day of December, 1952

Witness to the above Signatures

LESLIE M DOWGILL
54 Merrion Street
Leeds 2

Accountant and Auditor