

THE COMPANIES ACT, 1985  
(as amended)  
THE COMPANIES ACT, 2006

Public Company Limited by Shares

**SPECIAL RESOLUTIONS**

of

**HAYNES PUBLISHING GROUP PUBLIC LIMITED COMPANY**

**Passed 23<sup>rd</sup> October 2008**

At the Annual General Meeting of Haynes Publishing Group Public Limited Company duly convened and held on Thursday, 23<sup>rd</sup> October 2008 the following resolutions were duly passed as Special Resolutions

**SPECIAL RESOLUTIONS**

THAT the authorities conferred on the Directors by Article 11(B) and (C) of the Articles of Association of the Company be and are hereby renewed for a period expiring at the conclusion of the Annual General Meeting in 2009, and for such period

- (a) "the section 80 amount" shall be £479,692, and
- (b) "the section 89 amount" shall be £163,515

THAT, in accordance with Article 15 of the Company's Articles of Association and section 166 of the Companies Act 1985, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 163(3) of that Act) of its own ordinary shares on such terms and in such manner as the Directors of the Company shall determine, provided that

- (a) the maximum number of ordinary shares hereby authorised to be acquired is 1,500,000,
- (b) the maximum price which may be paid for each ordinary share is an amount equal to 105% of the average of the closing mid market prices for the ordinary shares of the Company (derived from the London Stock Exchange Daily Official List) for the five business days prior to the date of purchase or, if lower, the maximum amount prescribed pursuant to Article 15(C) (a) of the Company's Articles of Association, and the minimum price per ordinary share is the nominal value thereof exclusive of any expenses payable by the company, and
- (c) the authority hereby given shall expire at the conclusion of the Annual General Meeting of the Company in 2009 save that the Company may enter into a contract for the purchase of ordinary shares before the expiry of this authority which would or might be completed (wholly or partly) after its expiry

THAT, the Articles of Association produced at the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the Articles of Association in substitution for, and to the exclusion of, the existing Articles of Association

23<sup>rd</sup> October 2008



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27/10/2008  
COMPANIES HOUSE

J T Bunkum  
Secretary

**PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

(Adopted by Special Resolution passed on 22nd October 1993 and amended  
by Special Resolutions passed on 14th August 1996, 21st October 2004 and 23rd October 2008)

OF

**HAYNES PUBLISHING GROUP PUBLIC LIMITED COMPANY**

**PRELIMINARY**

1 No regulations for management of a company set out in any statute concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company. The following shall be the Articles of Association of the Company.

2 (A) In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively -

"A" Ordinary Shares	"A" Ordinary Shares of 20p each, having the rights set out in Article 3
Company	Haynes Publishing Group plc (registered in England and Wales with company number 659701)
Conflicted Director	Means (in relation to a Relevant Situation) a Director who has made a submission for authorisation in respect of that Relevant Situation
Family	In relation to a holder of "A" Ordinary Shares, any spouse, ex-spouse, common law spouse, child, stepchild or grandchild of such holder of "A" Ordinary Shares
Family Settlement	Any settlement or trust under which the only beneficiaries are members of the Family of a holder of "A" Ordinary Shares
Independent Director	Means (in relation to Article 104 ( <i>Board authorisation of conflicts of interest</i> )) the Directors, other than the Conflicted Director and any other Director(s) interested in the Relevant Situation
In writing	Written or produced by any substitute for writing or partly one and partly another
London Stock Exchange	London Stock Exchange plc
Month	Calendar month
Office	The registered office of the Company for the time being
Paid	Paid or credited as paid

Relevant Situation	Means a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it)
Seal	The Common Seal of the Company
The Acts	Means, subject to paragraph (B) of this Article 2 ( <i>Statutory provisions</i> ), the Companies Act 1985 and, where the context requires, every other statute (including but not limited to the Companies Act 2006) from time to time in force concerning companies and affecting the Company
These Articles	These Articles of Association as from time to time altered by Special Resolution
The Statutes	The Acts and every other statute for the time being in force concerning companies and affecting the Company
The United Kingdom	Great Britain and Northern Ireland
Transfer Office	The place where the Register of Members is situate for the time being
Year	Calendar year

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder"

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons

Words denoting the singular shall include the plural and vice versa Words denoting the masculine shall include the feminine Words denoting persons shall include corporations

Subject as aforesaid any words or expressions defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meanings in these Articles

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles

### ***Statutory provisions***

(B) A reference to any statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force

## **SHARE CAPITAL**

3 (A) The authorised share capital of the Company at the date of adoption of this Article is £3,750,000 divided into 8,750,000 Ordinary Shares of 20p each and 10,000,000 "A" Ordinary Shares of 20p each

(B) The Ordinary Shares and the "A" Ordinary Shares shall rank *pari passu* in all respects (including ranking equally for any distribution by way of dividend and on a return of capital) save that a transfer of "A" Ordinary Shares will not be permitted by the Directors other than by a holder thereof to a member of his or her Family or to Family Settlements PROVIDED that the holders of "A" Ordinary Shares may convert such shares into Ordinary Shares in accordance with paragraph (C) below

- (C)
- (a) Each holder of "A" Ordinary Shares shall be entitled at the time and in the manner specified in this paragraph (C) to convert the whole or part of his or her holding of "A" Ordinary Shares (not involving a fraction of an "A" Ordinary Share) into fully paid Ordinary Shares at the rate of one Ordinary Share (subject to adjustment in accordance with paragraphs (C) (g) and (h)) for each "A" Ordinary Share (the "conversion rate")
  - (b) For the purpose of this paragraph (C), a "conversion date" shall be the date in each year four weeks after the date of publication of the annual audited accounts of the Company (or where applicable the summary financial statements)
  - (c) The right to convert is exercised by a holder of "A" Ordinary Shares by completing the notice of conversion on the back of the certificate for the "A" Ordinary Shares to be converted, or a notice in another form prescribed by the Directors (a "conversion notice") and delivering the certificate and conversion notice to the registrars of the Company at any time during the period of four weeks ending on a conversion date (the "conversion period"), together with any further evidence the Directors may require to prove the title of the person exercising the right to convert. A conversion notice once given may not be withdrawn without the written consent of the Directors
  - (d) The Ordinary Shares to which a holder of "A" Ordinary Shares shall be entitled in exercising the right to convert ("new Ordinary Shares") shall
    - (i) be credited as fully paid,
    - (ii) rank pari passu in all respects and form one class with the Ordinary Shares then in issue, and
    - (iii) entitle the holder to be paid an appropriate portion of all dividends and (unless adjustment of the conversion rate has been made in respect of the distribution under paragraph (C)(h)) other distributions declared, made or paid on Ordinary Shares in respect of the financial year in which the relevant conversion date falls, but not in respect of an earlier financial year and only to the extent that the holder shall not then have received any such comparable dividend or other distribution declared, made or paid on the "A" Ordinary Shares in respect of the same financial year
  - (e) A certificate for any new Ordinary Shares so converted shall be despatched within two weeks of the relevant conversion date to each holder without charge, with a new certificate for any balance of unconverted "A" Ordinary Shares comprised in the surrendered certificate and, if appropriate, a cheque in respect of a fractional entitlement. In the meantime, transfers will be certified against the register
  - (f) The Directors may in their absolute discretion from time to time decide the manner in which "A" Ordinary Shares the subject of a conversion notice ("relevant shares") are to be converted, subject to the provisions of the Articles and the Act
  - (g) Upon any consolidation and/or sub-division of Ordinary Shares, whilst "A" Ordinary Shares remain capable of being converted into Ordinary Shares, the conversion rate shall be adjusted by an amount which in the opinion of the Auditors is fair and reasonable in the circumstances
  - (h) Upon any allotment of fully paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares, the number of Ordinary Shares into which any outstanding "A" Ordinary Shares shall convert on a conversion date which is or follows the record date of that allotment shall, to the extent that the holders of "A" Ordinary Shares shall not have participated in that capitalisation issue rateably with the holders of the Ordinary Shares, be increased (by resolution of the Directors) to reflect the percentage increase in the number of Ordinary Shares in issue. No increase in the conversion rate shall be made when Ordinary Shares are allotted by way of capitalisation of profits or reserves at the election of a holder instead of cash in respect of all or part of a dividend or dividends

- (i) In the event of an offer by the Company by way of rights of new Ordinary shares to holders of Ordinary Shares (an "offer by way of rights"), the Company shall have the option on the making of such offer (exercisable by resolution of the Directors)
  - either (i) of making a similar offer of rights but of new "A" Ordinary Shares to each holder of "A" Ordinary Shares,
  - or (ii) of making a similar offer of rights of new Ordinary Shares to each holder of "A" Ordinary Shares, as if his conversion rights had been exercisable and exercised in full on a conversion date which is immediately before the record date for the offer by way of rights,
- (j) If, as a result of an offer made to all holders of Ordinary Shares (or all holders of Ordinary Shares other than the offeror and/or any associate of the offeror, as defined in section 430E(4) of the Act) to acquire all or some of the Ordinary Shares or the proposal of a scheme for such acquisition, the right to cast more than 50 per cent of the votes that may ordinarily be cast on a poll at a general meeting has vested or will vest in the offeror and/or such associates, the Company shall give notice to all holders of any outstanding "A" Ordinary Shares within two weeks of it becoming so aware. Each holder of "A" Ordinary Shares shall then be entitled within six weeks from the date of such notice to convert some or all of his "A" Ordinary Shares on the basis that the conversion date is the date on which the Company receives a conversion notice.
- (k) If an offer (not being an offer falling within paragraphs (C)(i) or (j)) is made or an invitation is extended to the holders of Ordinary Shares to purchase such shares by any person or persons, the Company shall, so far as it is able, procure that there is made or extended at the same time a similar offer or invitation to each holder of outstanding "A" Ordinary Shares, as if his conversion rights had been exercisable and exercised in full on a conversion date falling immediately prior to the record date for the offer or invitation at the conversion rate applicable at that conversion date.
- (l) If a doubt or dispute arises concerning an adjustment of the conversion date in accordance with this paragraph (C), the Directors shall refer the matter to the Auditors for determination by them and their certificate as to the amount of the adjustment shall be conclusive and binding on all concerned.

#### VARIATION OF RIGHTS

4 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any two holders of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

5 The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

## ALTERATION OF SHARE CAPITAL

6 The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

7 (A) The Company may by Ordinary Resolution -

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled,
- (c) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(B) Upon any consolidation of fully paid shares into shares of larger amount the Directors may as between the holders of shares so consolidated determine which shares are consolidated into each consolidated share and in the case of any shares registered in the name of one holder being consolidated with shares registered in the name of another holder may make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for the distribution among the persons entitled thereto of the net proceeds of such sale and for such purpose may appoint some person to transfer the consolidated share to the purchaser. Provided that the necessary unissued shares are available the Directors may alternatively in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share issue to each such holder credited as fully paid up by way of capitalization the minimum number of shares required to round up his holding to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's Reserve Accounts (including Share Premium Account and Capital Redemption Reserve Fund) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

8 The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner authorised by law.

## SHARES

9 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 compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

10 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine).

11 (A) Subject to the provisions of the Act and to any relevant authority of the Company in general meeting required by the Act, all unissued shares at the date of adoption of these Articles and any shares hereafter created shall be at the disposal of the Directors who may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Directors may decide, provided that no share shall be issued at a discount

(B) The Directors shall be generally and unconditionally authorised pursuant to and in accordance with section 80 of the Act to exercise for each prescribed period (as defined in paragraph (E) of this Article) all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the section 80 amount

(C) During each prescribed period the Directors shall be empowered to allot equity securities wholly for cash pursuant to and within the terms of the said authority

(a) in connection with a rights issue, and

(b) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the section 89 amount,

as if section 89(1) of the Act did not apply to any such allotment

(D) By such authority and power the Directors may during such period make offers or agreements which would or might require the allotment of securities after the expiry of such period

(E) For the purposes of this Article

(a) "rights issue" means an offer of equity securities open for acceptance for a period fixed by the Directors by way of rights to holders of Ordinary Shares on the Register of Members on a fixed record date in proportion (as nearly as may be) to their respective holdings of such shares or in accordance with the rights attached thereto (but subject to such exceptions, exclusions or other arrangements as the Directors in their opinion may deem necessary or expedient for the purposes of dealing with fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory),

(b) "prescribed period" means in the first instance the period commencing on the date of the adoption of this Article and expiring at the conclusion of the Annual General Meeting of the Company to be held in 1994 or fifteen months from the date of the adoption of this Article, whichever is the earlier, (the "first prescribed period") and shall thereafter mean any period (not exceeding fifteen months on any occasion) for which the authority and power conferred by paragraphs (B) and (C) of this Article are renewed or extended by a special resolution of the Company in general meeting stating the section 80 amount and section 89 amount for such period,

(c) "the section 80 amount" shall for the first prescribed period be £678,865 and for any later prescribed period shall be that stated in the relevant special resolution or, in either case, any increased amount fixed by a resolution of the Company in general meeting,

(d) "the section 89 amount" shall for the first prescribed period be £150,000 and for any later prescribed period shall be that stated in the relevant special resolution,

(e) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights, and

(f) words and expressions defined in or for the purposes of Part IV of the Act shall bear the same meanings herein

12 The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

13 The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

14 (A) Subject to the provisions of the Act and to any special rights for the time being attached to any existing shares, any share may be issued which is or at the option of the Company or of the holder of such share is liable to be redeemed.

(B) The date on which or by which, or dates between which, any redeemable shares are to be or may be redeemed may be fixed by the Directors and in such a case must be fixed by the Directors before the shares are issued. Unless otherwise specified in these Articles, the amount payable on redemption of any redeemable shares shall be the nominal value of such shares.

15 (A) Subject to the provisions of the Act and to any rights for the time being attached to any shares, the Company may enter into any contract for the purchase of any of its own shares of any class (including any redeemable shares) and any contract under which it may, subject to any conditions, become entitled or obliged to purchase all or any of such shares. Any shares to be so purchased may be selected in any manner whatsoever provided that if at the relevant date proposed for approval of the proposed purchase there shall be in issue any shares of a class entitling the holders to convert into equity share capital of the Company then no such purchase shall take place unless it has been sanctioned by an extraordinary resolution passed at a separate general meeting (or meetings if there is more than one class) of the holders of such class of convertible shares.

(B) Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied by anything done by the Company or the Directors pursuant to this Article.

(C) Any exercise by the Company of the power to purchase any shares pursuant to this Article shall be subject to the following provisions:

(a) purchases will be limited to a maximum price which will not exceed the average of the middle market quotations for such shares on the London Stock Exchange as derived from the Daily Official List for the 10 business days before the purchase is made or, in the case of a purchase through the market, at the market price, provided that the market price does not exceed such average by more than five per cent, and

(b) if purchases are to be made by tender, the opportunity to tender will be made available on the same basis to all shareholders.

## SHARE CERTIFICATES

16 Every share certificate shall be issued under the Seal (or an official seal kept under the provisions of the Act or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.

17 In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all.

18 Any person (subject as aforesaid) whose name is entered in the Register of Members (except a stock exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within fourteen days after lodgement of transfer or (in the case of a transfer of partly-paid shares) within two months after lodgement of transfer.



19 Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge

20 (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge

(B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request

(C) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued without charge to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit

(D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders

(E) Nothing in these Articles shall require title to any securities of the Company to be evidenced by a certificate if the Act permits otherwise nor shall anything in these Articles prevent title to any securities of the Company from being evidenced and transferred without a written instrument, or without the creation of certificates, as permitted by section 207 of the Companies Act 1989 and any regulations made pursuant thereto (including, without limitation, the Uncertificated Securities Regulations 1995 (SI 1995 No 3272) (the "1995 Regulations")), and the Directors shall have power to implement such procedures as they may think fit, and as may accord with that Act and any regulations made thereunder, for the recording and transferring of title to securities and for the regulation of those procedures and the persons responsible for and involved in their operation For the purposes of Regulation 15 of the 1995 Regulations, these Articles shall be deemed to be in all respects consistent with the holding of shares of any class in the capital of the Company in uncertificated form, the transfer of title to any such shares by means of a "relevant system", as defined in the 1995 Regulations, and with the 1995 Regulations themselves

## **CALLS ON SHARES**

21 The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) but subject always to the terms of issue of such shares A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments

22 Each member shall (subject to receiving at least fourteen days' 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 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof A call may be revoked or postponed as the Directors may determine

23 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part

24 Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

25 The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment

26 The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 12 per cent per annum) as the member paying such sum and the Directors agree upon

#### **FORFEITURE AND LIEN**

27 If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment

28 The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited

29 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 payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder

30 A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition of the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid

31 A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part

32 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article

33 The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the 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 of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser

35 A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. 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 All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

37 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register of Members shall not be closed for more than thirty days in any year.

38 The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully paid shares). The Directors may also refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

39 The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors 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) provided that such discretion may not be exercised in such a way as to disturb the market in the Company's shares. In the case of a transfer by a stock exchange nominee the lodgement of share certificates will not be necessary.

40 All instruments of transfer which are registered may be retained by the Company.

41 No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

42 The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that -

- (a) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant,

- (b) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article, and
- (c) References herein to the destruction of any document include references to the disposal thereof in any manner

#### **TRANSMISSION OF SHARES**

43 In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him

44 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. 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 transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member

45 Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share

#### **FAILURE TO DISCLOSE INTERESTS IN SHARES**

46 (A) If a member, or any other person appearing to be interested in shares held by that member has been issued with a notice pursuant to section 212 of the Act (a "section 212 notice") and has failed in relation to any shares ("the default shares" which expression shall include any further shares which are issued in respect of such shares unless a separate notice is issued in respect of such further shares) to give the Company the information thereby required within the prescribed period from the date of service of the section 212 notice, or, in purported compliance with such notice, has made a statement which is false or inadequate in a material particular, then the Directors may serve on the holder of such default shares a notice (in this Article called a "disenfranchisement notice") whereupon the following sanctions shall apply

- (a) the member shall not with effect from the service of the disenfranchisement notice be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any General Meeting of the Company or at any separate meeting of the holders of any class of shares of the Company or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll, and
- (b) where the default shares represent at least 0.25 per cent in nominal value of their class
  - (i) any dividend or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it and the member shall not be entitled to elect pursuant to Article 134 to receive shares instead of that dividend, and
  - (ii) no transfer, other than an approved transfer as defined in Article 46(E) below, of any shares held by the member shall be registered unless
    - (aa) the member is not himself in default as regards supplying the information required, and

- (bb) the member proves to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer

(B) The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the shares to which the same relates a notice in writing to that effect ("a withdrawal notice")

(C) Where the sanctions under Article 46(A) apply in relation to any shares they shall cease to have effect

- (a) if the shares are transferred by means of an approved transfer,
- (b) at the end of the period of one week (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the notice mentioned in Article 46(A) and the Directors being fully satisfied that such information is full and complete, or
- (c) on the date on which a withdrawal notice is served by the Company

(D) Where on the basis of information obtained from a member in respect of any share held by him the Company issues a section 212 notice to any other person it shall at the same time send a copy of the notice to the member but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 46(A)

(E) For the purposes of this Article 46

- (a) a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is or may be so interested or if the Company (after taking account of any information obtained from the member or, pursuant to a section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested,
- (b) "interested" shall be construed as it is for the purpose of section 212 of the Act,
- (c) reference to a person having failed to give the Company the information required by a notice or being in default as regards supplying such information includes reference
  - (i) to his having failed or refused to give all or any part of it, and
  - (ii) to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular,
- (d) the "prescribed period" means
  - (i) in a case where the default shares represent at least 0.25 per cent in nominal value of their class, 14 days, and
  - (ii) in any other case, 28 days,
- (e) an "approved transfer" means in relation to any shares held by a member
  - (i) a transfer by way of or pursuant to acceptance of a takeover offer for the Company (as defined for the purposes of Part XIII A of the Act), or
  - (ii) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a bona fide sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares (including any such sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other

stock exchange outside the United Kingdom on which the Company's shares are normally traded) For the purposes of this sub-paragraph any associate (as that term is defined in section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares

(F) Nothing contained in this Article 46 shall be taken to limit the powers of the Company under section 216 of the Act

## **GENERAL MEETINGS**

47 An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors All other General Meetings shall be called Extraordinary General Meetings

48 The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed to convene an Extraordinary General Meeting

## **NOTICE OF GENERAL MEETINGS**

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

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

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

50 (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company

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

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

51 Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say -

- (a) declaring dividends,

- (b) receiving and adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts,
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise,
- (d) re-appointing the retiring Auditors (other than Auditors last appointed otherwise than by the Company in General Meeting),
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed

### PROCEEDINGS AT GENERAL MEETINGS

52 The Chairman of the Directors, failing whom the Deputy-Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy-Chairman, or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

53 No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

54 If within fifteen minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place. At the adjourned meeting any two members present in person or by proxy shall be a quorum.

55 The chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

56 Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

57 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

58 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by -

- (a) the chairman of the meeting, or
- (b) not less than three members present in person or by proxy and entitled to vote, or
- (c) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the Meeting, or
- (d) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

59 A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has 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 that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

60 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 casting vote.

61 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

### VOTES OF MEMBERS

62 Subject to any special rights or restrictions as to voting for the time being attached to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 20p in nominal amount of the shares of which he is the holder.

63 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 of Members in respect of the share.

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

65 No member shall, unless the Directors otherwise determine, be entitled to 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 any call or other sum presently payable by him to the Company in respect of shares in the Company remains unpaid.

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

67 On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

68 A proxy need not be a member of the Company.

69 An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and

- (a) in the case of an individual shall be signed by the appointor or by his attorney, and
- (b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.



The signature on such instrument need not be witnessed Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid

70 An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the Transfer Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates

71 An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates

72 A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast

#### **CORPORATIONS ACTING BY REPRESENTATIVES**

73 Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat

#### **DIRECTORS**

74 Subject as hereinafter provided the Directors shall not be less than two in number The Company may by Ordinary Resolution from time to time vary the minimum number and/or fix and from time to time vary a maximum number of Directors

75 A Director shall not be required to hold any shares of the Company by way of qualification A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings

76 The ordinary remuneration of the Directors shall from time to time to be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office

77 Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine

78 The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the company

79 The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums

## **EXECUTIVE DIRECTORS**

80 (A) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Executive Chairman) on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment

(B) The appointment of any Director to any such executive office as aforesaid shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company

81 The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

82 Any provision of the Statutes which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall not apply to the Company

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

- (a) If he shall become prohibited by law from acting as a Director
- (b) If he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer
- (c) If he shall have a receiving order made against him or shall compound with his creditors generally
- (d) If in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs

84 At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the whole number nearest to one-third) shall retire from office by rotation

85 The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected 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

86 The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment In default the retiring Director shall be deemed to have been re-elected except in any of the following cases

- (a) Where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost
- (b) Where such Director has given notice in writing to the Company that he is unwilling to be re-elected
- (c) Where the default is due to the moving of a resolution in contravention of the next following Article

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without break

87 A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void

88 No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected

89 The Company may in accordance with an subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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 In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy

90 The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting

#### ALTERNATE DIRECTORS

91 (A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved

(B) The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director

(C) An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles

## MEETINGS AND PROCEEDINGS OF DIRECTORS

92 Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retrospective.

93 The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

94 Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.

96 The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

97 The Directors may elect a Chairman and Deputy Chairman and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed, or if at any meeting neither be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

98 A resolution in writing executed by all the Directors for the time being entitled to receive notice of a meeting of the Directors and not being less than a quorum, or by all the members of a committee of the Directors for the time entitled to receive notice of such committee meeting and not being less than a quorum of that committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Directors (or committee as the case may be). Such a resolution

- (a) may consist of several documents in the same form each executed by one or more of the Directors or members of the relevant committee, including executions evidenced by means of facsimile transmission,
- (b) need not be signed by an alternate Director if it is signed by the Director who appointed him, and
- (c) if signed by an alternate Director need not also be signed by his appointor.

For such a resolution to be effective it shall not be necessary for it to be signed by a Director who is prohibited by these Articles from voting thereon or by his alternate.

99 Any Director or his alternate may validly participate in a meeting of the Directors or a committee of the Directors through the medium of conference telephone, video conference facilities or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is. Subject to the provisions of the Statutes, all business transacted in such manner by the Directors or by a committee of the Directors shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a committee of the Directors notwithstanding that two, or fewer than two, Directors or alternate Directors are physically present at the same place.

100 The Directors may delegate any of their powers, authorities or discretions (with power to sub-delegate) to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that

- (a) the number of co-opted members shall be less than one-half of the total number of members of the committee, and
- (b) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors

101 The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article

102 All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote

103 The Directors may exercise any power conferred on the Company by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

## DIRECTORS' INTERESTS

### Board authorisation of conflicts of interest

#### *Power to authorise*

104 (A) If a Relevant Situation arises, the Directors may, subject to Article 104(B) (*Provisions relating to authorisation*), resolve to authorise any matter which relates to the Relevant Situation, including, without limitation, the continuing performance by the Conflicted Director of his duties and the acceptance of or continuing in any office, employment or position in addition to that of his office as a Director

#### *Provisions relating to authorisation*

- (B) (a) Any authorisation under Article 104(A) (*Power to authorise*) shall be effective only if
  - (i) the Relevant Situation arose on or after 1 October 2008 (or such other date when section 175, Companies Act 2006 came into force),
  - (ii) any requirement as to the quorum at any meeting of the Directors at which the matter is considered is met without counting either the Conflicted Director or any other interested Director, and
  - (iii) the matter, office, employment or position was agreed to and any relevant resolution was passed without counting the votes of the Conflicted Director and without counting the votes of any other interested Director (or such matter would have been so agreed and such relevant resolution would have been so passed if their votes had not been counted), and
  - (iv) the Conflicted Director has disclosed in writing all material particulars of the matter, office, employment or position which relates to the Relevant Situation which could reasonably be expected to influence the decision of the Independent Directors as to whether to authorise such matter, office, employment or position which relates to the Relevant Situation and the continuing performance of the Conflicted Director of his duties and/or the terms of such authorisation

- (b) Subject to the provisions of paragraph (a) any request for authorisation received from a Conflicted Director may be dealt with and resolved upon by the Independent Directors in such manner as any other matter may be considered and resolved upon by the Directors in accordance with these Articles
- (c) Any authorisation made in accordance with this Article 104 may be made on such terms and subject to such limitations as the Independent Directors may, in their absolute discretion determine and such terms and limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated

***Confidential information, absenting from Board meetings and receipt of Board papers etc***

(C) If a matter, office, employment or position relating to a Relevant Situation is authorised by the Independent Directors in accordance with the provisions of this Article 104, the Conflicted Director (for long as he reasonably believes such Relevant Situation subsists)

- (a) shall not be required to disclose to the Company (including the Board or any committee of it) any confidential information relating to such matter, office, employment or position which he obtains or has obtained otherwise than in his capacity as a Director, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position,
- (b) shall be entitled to absent himself from all or any meetings of the Board (or any committee of it) at which anything relating to such matter, office, employment or position will or may be discussed, and
- (c) shall be entitled to make such arrangements as he thinks fit not to receive documents or information (including, without limitation, Board papers (or those of any committee of it)) relating to any such matter, office, employment or position and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty he owes to the Company pursuant to sections 171 to 177 (inclusive), Companies Act 2006 and the provisions of this Article 104(C) shall be without prejudice to any equitable principle or rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles

***Exceptions to requirement for authorisation***

(D) It shall not be necessary for a Director to seek any authorisation under this Article 104 if

- (a) the Relevant Situation cannot reasonably be regarded as likely to give rise to a conflict of interest,
- (b) the conflict of interest arises in relation to a transaction or arrangement with the Company, or
- (c) the provisions of Chapter 4, Part 10, Companies Act 2006 applies to the Relevant Situation and approval is either given in accordance with the relevant provision(s) of that Chapter or any such approval is not required (as determined in accordance with the relevant provision of that Chapter)

**Director may have interests**

105 Provided permitted by the Acts and provided he has disclosed to the Board the nature and extent of his interest in accordance with Article 106 (*Disclosure of interests to Board*), a Director, notwithstanding his office

- (a) may be a party to, or otherwise interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise,

- (b) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in addition to 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 Remuneration Committee may arrange either in addition to or in lieu of any remuneration provided for by any other Article,
- (c) may be a member of or a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by or promoting the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment,
- (d) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from
  - (i) any matter, office, employment or position which relates to a Relevant Situation authorised in accordance with Article 104 (*Board authorisation of conflicts of interest*), or
  - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) to (c) (inclusive) of this Article 105,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any Director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with Article 104 (*Board authorisation of conflicts of interest*) or permitted pursuant to paragraphs (a) to (c) (inclusive) of this Article 105 and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in section 176, Companies Act 2006

#### **Disclosure of interests to Board**

##### ***Declaration of interest other than in relation to transactions or arrangements with the Company***

106 (A) A Director shall declare the nature and extent of his interest in a Relevant Situation to the other Directors and any such declaration shall be made in accordance with the provisions of Articles 106(D) to 106(F) (inclusive)

##### ***Declaration of interest in a proposed transaction or arrangement with the Company***

(B) If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of that interest to the other Directors and any such declaration shall be made in accordance with the provisions of Articles 106(D) to 106(F) (inclusive)

##### ***Declaration of interest in an existing transaction or arrangement with the Company***

(C) If a Director is in any way, directly or indirectly, interested in a transaction or arrangement which has already been entered into by the Company, he must declare the nature and extent of his interest to the other Directors (unless the interest has already been declared under Article 106(B) (*Declaration of interest in a proposed transaction or arrangement with the Company*)) and any such declaration shall be made in accordance with the provisions of Articles 106(D) to 106(F) (inclusive)

##### ***Method of declarations of interest***

(D) (a) The declaration of interest must (in the case of Article 106(C) (*Declaration of interest in an existing transaction or arrangement with the Company*)) and may, but need not (in the case of Article 106(A) (*Declaration of interest other than in relation to transactions or arrangements with the Company*) or Article 106(B) (*Declaration of interest in a proposed transaction or arrangement with the Company*)), be made at a meeting of the Directors, or

- (i) by notice to the Directors in accordance with

(A) section 184, Companies Act 2006 (notice in writing), or

(B) section 185, Companies Act 2006 (general notice)

- (b) If any declaration of interest made pursuant to Articles 106(A) to 106(C) (inclusive) proves to be, or becomes, inaccurate or incomplete, a further declaration must be made

***Timing of declaration of interests***

(E) (a) Any declaration of interest required by Article 106(A) (*Declaration of interest other than in relation to transactions or arrangements with the Company*) must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest

(b) Any declaration of interest required by Article 106(B) (*Declaration of interests in a proposed transaction or arrangement with the Company*) must be made before the Company enters into the transaction or arrangement

(c) Any declaration of interest required by Article 106(C) (*Declaration of interest in an existing transaction or arrangement with the Company*) above must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest

***Exceptions to requirement for declaration of interest***

(F) No declaration of interest is required under this Article 106

(a) in relation to an interest of which the Director is not aware, or where the Director is not aware of the transaction or arrangement in question. For this purpose, a Director is treated as being aware of matters of which he ought reasonably to be aware,

(b) if the interest cannot reasonably be regarded as likely to give rise to a conflict of interest,

(c) if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

(d) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered

(i) by a meeting of the Directors, or

(ii) by a committee of the Directors appointed for the purpose under these Articles

***Interested Director not to vote or count for quorum***

107 Save as provided in this Article 107, a Director shall not vote on or be counted in the quorum in relation to any resolution of the Board or of a committee of the Board concerning any transaction or arrangement with the Company in which he has an interest which may reasonably be regarded as likely to give rise to a conflict of interest, unless the resolution relates to one of the matters set out in the following sub-paragraphs in which case (subject to the terms of any authorisation granted pursuant to Article 104 (*Board authorisation of conflicts of interest*)) he shall be entitled to vote and be counted in the quorum

- (a) the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings,



- (b) the giving to a third party of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part either alone or jointly with others, under a guarantee or indemnity or by the giving of security,
- (c) where the Company or any of its subsidiary undertakings is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate,
- (d) relating to another company in which he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 (inclusive), Companies Act 2006) representing 1% or more of either any class of the equity share capital, or the voting rights, in such company,
- (e) relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates, or
- (f) concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors, or
- (g) the funding of expenditure by one or more Directors in defending proceedings against him or them or doing anything to enable such Director(s) to avoid incurring such expenditure provided that such funding is consistent with, or no more beneficial to him than the provisions of these Articles (and provided always such funding is permitted pursuant to the provisions of the Acts), or
- (h) the giving of an indemnity or indemnities in favour of one or more Directors which is/are consistent with, or no more beneficial to him than any such indemnities provided pursuant these Articles (and provided always such indemnities are permitted pursuant to the provisions of the Acts)

#### **Director's interest in own appointment**

108 A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or termination) of 2 or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

#### **Chairman's ruling conclusive on Director's interest**

109 If any question arises at any meeting of the Board or any committee of the Board as to whether an interest of Director (other than the Chairman's interest) shall reasonably be regarded as likely to rise to a conflict of interest or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum such question (unless the Director concerned is the Chairman in which case Article 110 (*Director's resolution conclusive on Chairman's interest*) shall apply) shall before the conclusion of the meeting be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director has not been fairly disclosed.

#### **Director's resolution conclusive on Chairman's interest**

110 If any question arises at any meeting of the Board or any committee of the Board as to whether an interest of the Chairman shall reasonably be regarded as likely to rise to a conflict of interest or as to the entitlement of the

Chairman to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall before the conclusion of the meeting be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman) whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Director has not been fairly disclosed

#### **Alternate Directors**

111 For the purposes of Articles 104 to 110 (inclusive), in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has

### **BORROWING POWERS**

112 (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertakings, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all money 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 of the Company exceed an amount equal to one and one half times the Adjusted Capital and Reserves of the Company, the expression "Adjusted Capital and Reserves" meaning at any material time a sum equal to the aggregate of

- (a) the amount paid up on the issued capital of the Company, and
- (b) the amount standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account or capital redemption reserve fund) after adding thereto or deducting therefrom any balance to the credit or debit of profit and loss account,

all based on a consolidation of the then latest available audited balance sheets of the Company and its subsidiaries but after

- (c) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional),
- (d) making such adjustments as may be appropriate in respect of any distributions declared recommended or made by the Company or its subsidiaries (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary (as the case may be) to the extent that such distribution is not provided for in such balance sheet,
- (e) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet of the Company,
- (f) excluding minority interests in subsidiaries and any sums set aside for taxation (including deferred taxation),

- (g) if the calculation is required for the purposes of a transaction under or in connection with which any company is to become or cease to be a subsidiary, making all such adjustments as would be appropriate if such transaction had been carried into effect

The certificate of the Auditors as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned. Nevertheless the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit hereinbefore contained is inadvertently exceeded an amount of borrowed moneys equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a certificate of the Auditors or otherwise the Directors became aware that such a situation has or may have arisen

- (C) For the purposes of the foregoing limit the following provisions shall apply -

- (a) there shall be deemed, subject as hereinafter provided, to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account) -
- (i) the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group,
  - (ii) the outstanding amount of the acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group,
  - (iii) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group,
  - (iv) the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed or wholly or partly secured by any member of the Group,
  - (v) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account
- (b) moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account,
- (c) any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be borrowed moneys,
- (d) moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion and for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of the partly-owned subsidiary which is not attributable to the Company,
- (e) borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be converted into sterling by reference to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if the relevant currency was not thereby involved, by reference to the rate of exchange or

approximate rate of exchange ruling on such date and determined on such basis as the Auditors may determine or approve

- (D) No person dealing with the Company or any of its subsidiaries shall be concerned to see or enquire whether the said limit is observed and no debt security given in excess of such limits shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded

## **GENERAL POWERS OF DIRECTORS**

113 The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulations so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article

114 The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby

115 The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him

116 The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word "Director" in the designation or title or any office or employment with the Company (other than the office of Managing or Joint Managing or Deputy or Assistant Managing Director) shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles

117 The Company may exercise the power conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors

118 Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register

119 All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine

## **SECRETARY**

120 The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit

Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries.

#### **THE SEAL**

121 The Directors shall provide for the safe custody of the Seal and any official seal kept under the provisions of the Act and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf. Every instrument to which either shall be affixed shall 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 Directors 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**

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

#### **RESERVES**

123 The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits.

#### **DIVIDENDS**

124 The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

125 If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

126 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

127 No dividend shall be paid otherwise than out of profits.

128 Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof

129 No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company

130 The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists

131 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same

132 The payment by the Directors of an unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company

133 The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution the Directors may settle the same as they think 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 Directors

134 (A) The Directors may, with the prior sanction of an Ordinary Resolution of the Company, offer the holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of such dividend or dividends as are specified by such resolution The following provisions shall apply

- (a) The said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period
- (b) Unless otherwise provided by the said resolution, the Directors shall determine whether the right of election offered to Ordinary Shareholders shall extend to the whole or to part only of any such dividend
- (c) The entitlement of each Ordinary Shareholder to new Ordinary Shares shall be such that the Relevant Value thereof shall be as nearly as practicable equal to (but not in excess of) the cash amount that such shareholder would, but for such election, have received by way of 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 London Stock Exchange as derived from the Daily Official List for the day when Ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days
- (d) The basis of allotment shall be such that no member may receive a fraction of a share
- (e) The Directors, after determining the basis of allotment, shall notify the holders of Ordinary Shares in writing of the right of election offered to them, and shall send with, or following, such notification forms of election and specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective
- (f) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect whereof the said election has been duly made ("the Elected Ordinary Shares") and instead thereof additional Ordinary Shares shall

be allotted to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Board shall capitalise a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on such basis out of such sums available for the purpose as the Board may consider appropriate (including, without limitation, any amounts credited to the Company's reserves, its share premium account or its profit and loss account), and apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to and amongst the holders of the Elected Ordinary Shares on such basis

- (g) The additional Ordinary Shares so allotted shall rank for all dividends and distributions declared, made or paid from and after the first of the five dealing days referred to in sub-paragraph (c) above and shall otherwise be identical in all respects with the Ordinary Shares in issue on that date except that they shall not be entitled to any dividend, distribution or other right in respect of which the Ordinary Shares are quoted "ex" on that day
- (h) The Directors may apply such exclusions or other arrangements as they may deem necessary or expedient to deal with legal or practical problems in respect of overseas shareholders
- (i) The Directors shall have the power to do anything which they think fit to put this Article into effect, including without limitation full power to make provision as they think fit for fractional entitlements that would arise but for the provisions of sub-paragraph (d) above

(B) Alternatively, the Directors may in respect of the final dividend in relation to the financial year ended 31st May 1993 offer shareholders the right to elect to receive ordinary shares, credited as fully paid, in respect of the whole or part of their shareholding instead of cash, on the basis set out in Article 134 but so that sub-paragraph (c) of Article 134 (A) shall not apply and the entitlement of each shareholder to new ordinary shares shall be determined by the Directors such that the value of the new ordinary shares concerned may exceed the cash amount that such shareholders would have received by way of dividend

135 Any dividend or other moneys payable in cash on or in respect of a share may be paid by electronic funds transfer or cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such electronic funds transfer or cheque or warrant 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 or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the electronic funds transfer or cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such electronic funds transfer or cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding any of the foregoing, any dividend or other moneys payable in cash on or in respect of a share may also be paid by any other method as the Directors consider appropriate, including (without limitation) any method which it is considered desirable to use as a result of any of the Company's shares being subject to a system of evidencing and transfer without a written instrument, as contemplated by the 1995 Regulations or any other regulations made pursuant to Section 207 of the Companies Act 1989 or comparable legislation

136 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share

137 Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to capitalisations to be effected in pursuance of the next following Article

## CAPITALISATION OF PROFITS AND RESERVES

138 The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account and Capital Redemption Reserve Fund) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary Shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend on the Ordinary Shares and applying such sum on their behalf in paying up in full unissued Ordinary Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid

The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned) The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned

## ACCOUNTS

139 Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors

140 A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office If all or any of the shares or debentures of the Company shall for the time being be listed on the London Stock Exchange, there shall be forwarded to the appropriate officer of the London Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice

## AUDITORS

141 Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently become disqualified

142 The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor

## UNTRACED MEMBERS

143 (A) The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that

- (a) during the period of 12 years prior to the date of the publication of the advertisements referred to in sub paragraph (b) below (or if published on different dates, the earlier or earliest thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register of Members or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of



such share from such member or person provided that during such period of 12 years the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it,

- (b) on expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisements in both a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area in which the last known address of such member or person appeared,
- (c) the said advertisements, if not published on the same day shall have been published within 30 days of each other,
- (d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates the later or latest thereof) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission, and
- (e) the Company has given notice to the London Stock Exchange of its intention to make such sale and shall have obtained the approval of the Quotations Department to the proposed form of the said advertisement, if shares of the class concerned are listed or dealt in on that exchange

(B) To give effect to any sale of shares pursuant to this Article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the Register of Members notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

(C) If during the period of 12 years referred to in Article 143(A) or during any period ending on the date when all the requirements of sub-paragraphs (a) to (d) of paragraph (A) above have been satisfied, any additional shares have been issued in respect of those held at the beginning of such period or of any previously so issued during such period and all the requirements of sub-paragraphs (b) to (d) of that paragraph have been satisfied in regard to such additional shares the Company shall also be entitled to sell the additional shares.

(D) The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account. The Company shall be deemed to be a debtor to and not a trustee for such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

## NOTICES

144 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at 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 as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

145 Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

146 A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

147 A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

148 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two leading daily newspapers with appropriate circulation at least one of which must be a newspaper with national circulation 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.

#### WINDING UP

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

#### INDEMNITY

150 Subject to the provisions of and so far as may be permitted by the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.

#### INSURANCE

151 Subject to the provisions of the Statutes, the Directors shall have the power to purchase and maintain at the expense of the Company insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the Company or any other company in which the Company has any interest whether direct or indirect or who are or were at any time trustees of any pension fund, retirement benefits scheme or employees' share scheme or any other scheme or arrangement principally for the benefit of employees, in which employees of the Company or of any such other company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons 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 or any such other company, pension fund, retirement benefits scheme, employees' share scheme or other such scheme or arrangement.