

THE COMPANIES ACTS 1948 TO 1980

Declaration of compliance with the requirements on application for registration of a company

41a

Please do not write in this binding margin



Please complete legibly, preferably in black type, or bold block lettering

* Insert full name of Company

† Please indicate whether you are a Solicitor of the Supreme Court (or in Scotland 'a Solicitor') engaged in the formation of the company, or a person named as director or secretary of the company in the statement delivered under section 21 of the Companies Act 1976

Pursuant to section 3(5) of the Companies Act 1980

For official use

Company number

[] [] [] []

1736119

Name of Company

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

I, CHARLES WILLIAM MATHIESEN

of 1 Gresham Street

London EC2V 7BU

do solemnly and sincerely declare that I am† a Solicitor of the Supreme Court engaged in the formation

of * ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

and that all the requirements of the Companies Acts 1948 to 1980 in respect of the registration of the said company and of matters precedent and incidental thereto have been complied with. And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at 1 Gresham Street
London EC2V 7BU

Signature of Declarant

C.W. Mathiesen

the 22nd day of December

One thousand nine hundred and eighty three

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor having the powers conferred on a Commissioner for Oaths

Presenter's name, address and reference (if any):

Biddle & Co
1 Gresham Street
London EC2V 7BU

ref: 00

For official use

New companies section

Post room



-3.1.84

Certified a true copy

C.W. Haffenden
Director

The Companies Acts 1948 to 1983.

A PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

1786119/3

1. The name of the Company is "ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY".
2. The Company is to be a public company.
3. The registered office of the Company will be situate in England.
4. The objects for which the Company is established are:-
 - (A) To acquire for any consideration a leasehold or freehold interest in the property known as Ettington Hall, Ettington, Warwickshire, and to develop and exploit the said property by renovating, demolishing or rebuilding the existing buildings thereon and by constructing further buildings, structures and facilities for use as a hotel, restaurants, shops, health farms, conference, recreation and leisure centres and for any use related thereto and to fit up and furnish the said property for the purpose of letting the same to visitors, tourists, guests or anyone, whether in single rooms, suites, halls, chalets, cottages or otherwise.
 - (B)
 - (i) To carry on all or any of the businesses of managers, proprietors, owners and operators of hotels, restaurants, shops, health farms, conference, recreation and leisure centres, and of general caterers, refreshment contractors and theatre ticket agents, and to act as consultants and advisers in connection with any such businesses, and to let the Company's premises or any part thereof for banquets, dinners, balls, dances, conferences, conventions or concerts or for any other purpose whatsoever; and
 - (ii) to buy, sell (both to persons residing on the Company's premises and to others), import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirit, beer and alcoholic beverages, tobacco, druggist supplies, beverages, linen, furniture and furnishings and all

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other articles and things of every description capable of being dealt with in connection with the above mentioned businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

- (C) To acquire and take over for any consideration the whole or any part of the undertaking, property, rights and liabilities of any person or company the acquisition of which appears capable of being advantageously or conveniently employed in connection with or by way of extension of any business of the Company or otherwise suitable for its purposes.
- (D) To receive money on deposit, at interest or otherwise, issue and cash cheques, open current accounts, carry on the business of bankers, financial agents and money changers, and receive valuables, goods and materials of all kinds for safe custody.
- (E) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any stocks, shares or securities or liabilities of any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company.
- (F) To take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities or obligations in any other company having objects altogether or in part similar to those of this Company, or engaged or proposing to engage in any business or activity capable of being conducted so as directly or indirectly to benefit this Company.
- (G) To promote or concur in promoting any other company whose objects shall include the acquisition of all or any of the property, rights or liabilities of this Company, or the promotion of which may seem calculated directly or indirectly to benefit this Company, and to acquire and hold shares, stock, debentures, debenture stock or other securities or obligations of any such company.
- (H) To purchase, take on lease or in exchange, or otherwise acquire any real or personal property, patents, licences, rights or privileges which the Company may consider necessary or convenient, and to construct, maintain and alter any buildings or works and develop and turn to account and deal with the same or any other property acquired as aforesaid in such manner as may be considered expedient.

other articles and things of every description capable of being dealt with in connection with the above mentioned businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

- (C) To acquire and take over for any consideration the whole or any part of the undertaking, property, rights and liabilities of any person or company the acquisition of which appears capable of being advantageously or conveniently employed in connection with or by way of extension of any business of the Company or otherwise suitable for its purposes.
- (D) To receive money on deposit, at interest or otherwise, issue and cash cheques, open current accounts, carry on the business of bankers, financial agents and money changers, and receive valuables, goods and materials of all kinds for safe custody.
- (E) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any stocks, shares or securities or liabilities of any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company.
- (F) To take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities or obligations in any other company having objects altogether or in part similar to those of this Company, or engaged or proposing to engage in any business or activity capable of being conducted so as directly or indirectly to benefit this Company.
- (G) To promote or concur in promoting any other company whose objects shall include the acquisition of all or any of the property, rights or liabilities of this Company, or the promotion of which may seem calculated directly or indirectly to benefit this Company, and to acquire and hold shares, stock, debentures, debenture stock or other securities or obligations of any such company.
- (H) To purchase, take on lease or in exchange, or otherwise acquire any real or personal property, patents, licences, rights or privileges which the Company may consider necessary or convenient, and to construct, maintain and alter any buildings or works and develop and turn to account and deal with the same or any other property acquired as aforesaid in such manner as may be considered expedient.

- (I) To develop, manage, improve, farm and assist in developing, managing, improving or farming any land or other property belonging to the Company, or in which the Company is interested, and for that purpose to grant and agree to grant or accept leases of every description, and to make advances, and to enter into guarantees, and generally to make such arrangements as may be considered expedient.
- (J) To borrow or raise or secure the payment of money and interest thereon in any manner and upon any terms, and for such purposes, or any other purposes, to issue debentures or debenture stock, perpetual or otherwise, and to mortgage or charge all or any of the Company's property or rights, present and future, including its uncalled capital, and collaterally or further to secure any securities of the Company by a trust deed or other instrument.
- (K) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (L) To apply for and accept allotments of, and to buy and sell and to deal in and dispose of shares, stock, debentures, debenture stock, or other securities or obligations of any company.
- (M) To issue any shares, stock, debentures, debenture stock or other securities or obligations which the Company has power to issue, by way of security or indemnity, to any person whom the Company has agreed or is bound to indemnify, or in satisfaction of any liability.
- (N) To provide remuneration, rewards, incentives and facilities of every description for the present and former officers, executives and other employees of the Company and of any of its subsidiary and associated companies, and in particular to establish and contribute to any funds or schemes for the provision of pensions, life and other insurance and similar benefits for, and to pay gratuities and allowances to, any of such persons and members of their families and their dependants, and to establish and finance any schemes for the time being authorised by law for the acquisition by any of such officers, executives and employees of shares or loan capital of the Company or its holding company or any interest therein.
- (O) To sponsor, subsidise or guarantee money for any charitable or benevolent purpose or for any cultural or sporting event, exhibition or performance, or for any public or useful object, either alone or in conjunction with others.
- (P) To apply for, purchase or otherwise acquire any patents, trade or service marks, names, designs, concessions, licences and the like, conferring any right to use, or any secret or other information which may seem capable of being used for any

purpose of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit this Company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the property, rights and information so acquired.

- (Q) To lend money and grant or provide credit and financial accommodation to any person or company and to carry on the business of a banking, finance or insurance company.
- (R) To invest any moneys of the Company not required for the purposes of its business in such investments, securities or other assets as may be thought expedient.
- (S) To enter into any partnership or co-operate with any person or company engaged or interested or about to become engaged or interested in any activity from which this Company would or might derive any benefit, whether direct or indirect, and to amalgamate with any other company.
- (T) To sell or dispose of the undertaking of the Company or any part thereof in such manner and for such consideration as the Company may think fit, and in particular for shares, stock, debentures, debenture stock, or other securities or obligations of any other company, whether promoted by this Company for the purpose or not.
- (U) To take all appropriate steps in Parliament or with the authorities, national, local, municipal or otherwise of any place in which the Company may have interests, and to carry on any negotiations or operations for any purpose of the Company, or for furthering the interests of its members, and to oppose any such steps taken by any other person or company which may seem calculated, directly or indirectly, to prejudice the interests of this Company or its members.
- (V) To procure the registration or incorporation of the Company in or under the laws of any place outside England, and to establish local registers and business branches in any part of the world.
- (W) To distribute any of the Company's property among the members in specie.
- (X) To do all or any of the above things in any part of the world, and either as principals, agents, trustees or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- (Y) To do all such other things as, in the opinion of the Board of Directors of the Company, are incidental or as may be thought conducive to the attainment of the above objects or any of them.
- (Z) To carry on any other business or activity which, in the opinion of the Board of Directors of the Company, is or may be

capable of being conveniently carried on in connection with, or likely directly or indirectly to enhance the value of, any existing business, property or rights of the Company.

And it is hereby declared that the word "company" in this clause and in the Articles of Association for the time being of the Company, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Great Britain or elsewhere, and that the objects specified in the different paragraphs of this clause shall, except where otherwise expressed in such paragraphs, be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

5. The liability of the members is limited.

6. The share capital of the Company is £1,500,000 divided into 1,500,000 shares of £1 each.

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

NAMES, ADDRESSES AND DESCRIPTIONS OF
SUBSCRIBERS

Number of Shares
taken by each
Subscriber

C.W. Mathiesen

One

CHARLES WILLIAM MATHIESEN
1 Gresham Street
London EC2V 7BU

One

Solicitor

P. Shaw Watson
PETER SHAW WATSON
1 Gresham Street
London EC2V 7BU

One

One

Solicitor

Dated this 19th day of December 1983

Witness to the above signatures:-

Barbara Ives
Barbara Ives
1 Gresham Street
London EC2V 7BU

Secretary

Certified a true copy
C.W. Mathieson
Director

The Companies Acts 1948 to 1983

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

1736119 / 4

PRELIMINARY

1. The following regulations and (subject as hereinafter provided) the regulations contained in Table A in the First Schedule to the Companies Act 1948 as amended by the Companies Acts 1967 to 1983 ("Table A") constitute the Articles of Association of the Company.

2. Regulations 75, 77 and 87 of Table A do not apply to the Company.

SHARES

3. The share capital of the Company is £1,500,000 divided into 1,500,000 shares of £1 each.

4. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine.

(2) For the purposes of Section 14 of the Companies Act 1980, the Directors are generally and unconditionally authorised to allot the shares specified in Article 3 which are for the time being unissued. This authority shall expire five years from the date of incorporation of the Company, but the Company in General Meeting may revoke or from time to time vary or renew this authority, whether in its original or in any previously varied or renewed form, provided that the period of any such renewal shall not exceed five years. The Company may make any offer or arrangement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement. In this paragraph references to the allotment of relevant securities shall be construed in accordance with Section 14 of the Companies Act 1980.

(3) The Directors are empowered pursuant to Section 18 of the Companies Act 1980 to allot equity securities pursuant to the authority contained in paragraph (2) of this Article as if Section 17(1) of that Act did not apply to any such allotment.



(4) Subject to paragraphs (2) and (3) of this Article and to the Companies Acts 1948 to 1983, the Directors may allot, issue or grant options over any shares for the time being unissued, and may determine the rights to be attached thereto and the terms upon which they may be allotted or issued, unless the Company in General Meeting shall otherwise resolve.

5. Subject to the provisions of the Companies Acts 1948 to 1983 the Company is hereby authorised to purchase its own shares.

VOTES OF MEMBERS

6. Unless the Directors otherwise determine and subject to the Companies Acts 1948 to 1983, no member shall 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 he or any person appearing to be interested in shares held by him has been served with a notice under Section 74 of the Companies Act 1981 and he or any such person is in default in supplying to the Company the information thereby requested within twenty-eight days from such service.

DIRECTORS

7. (1) The number of the Directors of the Company shall not be less than two.

(2) The first Directors of the Company shall be the persons named in the statement required to be delivered by Section 21 of the Companies Act 1976.

8. There shall be no shareholding qualification for Directors, but every Director shall be entitled to attend and speak at any general meeting of and at any separate meeting of the holders of any class of shares in the Company.

9. The proviso to Regulation 79 of Table A is excluded.

10. A Director who pursuant to Regulation 84(1) of Table A has declared at a meeting of the Directors the nature of his interest in a contract or arrangement or proposed contract or arrangement with the Company shall be entitled to vote in respect of that contract or arrangement or proposed contract or arrangement, and if he does so his vote shall be counted, and he may be taken into account in ascertaining whether or not a quorum is present at the meeting of the Directors at which the vote is taken. Paragraphs (2) and (4) of Regulation 84 of Table A are excluded.

11. Subject to the provisions of the Companies Acts 1948 to 1983 the Directors may exercise all the powers of the Company to pay and provide remuneration, incentives and other benefits (including pensions, life and other insurance, and gratuities and allowances on retirement or in respect of past services) for its present and former officers (including Directors), executives and employees and their families and dependants.

12. In Regulation 86 of Table A the words from and including "and every Director" to the end of the Regulation are excluded.

13. Regulation 88 of Table A is amended by excluding paragraph (a) and inserting at the end of paragraph (f) the words "and the Directors resolve that his office be vacated".

14. In each of Regulations 95 and 97 of Table A the second sentence is excluded.

RETIREMENT OF DIRECTORS

15. Notwithstanding the provisions of Section 185 of the Companies Act 1948, any person may be appointed or elected a Director whatever his age, and no Director shall vacate office by reason only of his attaining or having attained the age of 70 or any other age.

ALTERNATE DIRECTORS

16. Each Director may appoint any other Director, or any other person approved by a resolution of the Directors, to act as his alternate Director and may remove any person so appointed. Any such appointment or removal shall be in writing signed by the appointor and shall become effective upon delivery to the registered office of the Company. An alternate Director shall, except as regards remuneration and the power to appoint an alternate, be subject in all respects to the terms and conditions applying to the other Directors of the Company, and, while so acting, shall exercise and discharge all the functions, powers and duties of his appointor as a Director. A Director shall have an additional vote for each Director for whom he acts as alternate. An alternate Director shall cease to be an alternate Director upon his appointor ceasing to be a Director.

DIVIDENDS AND RESERVES

17. In Regulation 119 of Table A the words "in relation to the shares of the Company" are excluded.

NOTICES

18. In Regulation 131 of Table A there shall be substituted for the words "or to his registered address" the words "at his registered address" and the words "in the case of a notice of a meeting" and the words "and in any other case" to the end of the Regulation are omitted.

19. The words "entitled to receive notice of such meeting" are inserted after the words "every member" in paragraph (a) of Regulation 134 of Table A.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

C.W. Mathiesen

CHARLES WILLIAM MATHIESEN
1 Gresham Street
London EC2V 7BU

Solicitor

P. S. Watson

PETER SHAW WATSON
1 Gresham Street
London EC2V 7BU

Solicitor

Dated this 19th day of December 1983

Witness to the above signatures:-

B. Ives
Barbara Ives
1 Gresham Street
London EC2V 7BU

Secretary

1

THE COMPANIES ACTS 1948 TO 1976

Statement of first directors and
secretary and intended situation
of registered office

Pursuant to sections 21 and 23(2) of the Companies Act 1976

Please do not
write in this
binding marginPlease complete
legibly, preferably
in black type, or
bold block lettering* delete if
inappropriate

Company number

1786119 5

Name of Company

EPPINGTON HALL HOTEL PUBLIC LIMITED COMPANY

INCORPORATED IN

The intended situation of the registered office of the company
on incorporation is as stated below

Stratton Road

Marshgate

Swinton

Wiltshire SN1 2DT

If the memorandum is delivered by an agent for the subscribers of
the memorandum please mark 'X' in the box opposite and insert the
agent's name and address belowIf the spaces provided on page 2 are insufficient and use has been made
of continuation sheets (see note 1), please enter in the box opposite
the number of continuation sheets which form part of this statementPresenter's name, address and
reference (if any):Biddle & Co
1 Gresham Street
London EC2V 7BU

ref: QO

For official use
General section

Post room



The name(s) and particulars of the person who is, or the persons who are, to be the first director or directors of the company are as follows:

Please do not write in this binding margin

Important
The particulars to be given are those referred to in section 21(2)(a) of the Companies Act 1976 and section 200(2) of the Companies Act 1948. Please read the notes on page 4 before completing this part of the form.

Name (note 2)	CHARLES WILLIAM MATHIESEN	Business occupation	
Former name(s) (note 3)	None	Solicitor	
Address (note 4)	1 Gresham Street London EC2V 7BU	Nationality	British
		Date of birth (where applicable) (note 6)	14th December 1950
Particulars of other directorships (note 5)	None		
I hereby consent to act as director of the company named on page 1			
Signature	C.W. Mathiesen	Date	19th December 1983

Name (note 2)	PETER SHAW WATSON	Business occupation	
Former name(s) (note 3)	None	Solicitor	
Address (note 4)	1 Gresham Street London EC2V 7BU	Nationality	British
		Date of birth (where applicable) (note 6)	22nd October 1940
Particulars of other directorships (note 5)	None		
I hereby consent to act as director of the company named on page 1			
Signature	P. S. Watson	Date	19th December 1983

Name (note 2)		Business occupation	
Former name(s) (note 3)		Nationality	
Address (note 4)		Date of birth (where applicable) (note 6)	
Particulars of other directorships (note 5)			
I hereby consent to act as director of the company named on page 1			
Signature		Date	

Please do not
write in this
binding margin



Important

The particulars
to be given are
those referred to
in section
21(2)(b) of the
Companies Act
1976 and section
200(3) of the
Companies Act
1948. Please
read the notes
on page 4 before
completing this
part of the form.

The name(s) and particulars of the person who is, or the persons who are,
to be the first secretary, or joint secretaries, of the company are as follows:

Name (notes 2 & 7) **CHARLES WILLIAM MATHIESEN**

Former name(s) (note 3) **None**

Address (notes 4 & 7) **1 Gresham Street
London EC2V 7BU**

I hereby consent to act as secretary of the company named on page 1

Signature **C. W. Mathiesen**

Date **19th December 1983**

Name (notes 2 & 7)

Former name(s) (note 3)

Address (notes 4 & 7)

I hereby consent to act as secretary of the company named on page 1

Signature

Date

* as required by
section 21(3) of
the Companies
Act 1976

Signed by or on behalf of the subscribers of the memorandum*

† delete as
appropriate

Signature

C. W. Mathiesen

[Subscriber] ~~Agent~~† Date

19th December 1983

Signature

Private

[Subscriber] ~~Agent~~† Date

19th December 1983

FILE COPY



CERTIFICATE OF INCORPORATION OF A PUBLIC LIMITED COMPANY

No.1786119

I hereby certify that

EXTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

is this day incorporated under the Companies Acts 1948 to 1981
as a public company and that the Company is limited.

Given under my hand at the Companies Registration
Office, Cardiff the 25TH JANUARY 1984

A handwritten signature in black ink, appearing to be 'W. G. L.' followed by a stylized flourish.

an authorised officer

C.173 A



Please do not
write in this
binding margin



Please complete
legibly, preferably
in black type, or
bold black
lettering

*Insert full name
of Company

†delete as
appropriate

*Insert name of
person(s) by whom
expenses paid or
payable

THE COMPANIES ACTS 1948 TO 1980

Application by a public company to commence business and declaration of particulars

Pursuant to section 4 of the Companies Act 1980

21-3

Form No.8



For official use

Company number

008

1786119

Name of company

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

hereby applies for a certificate to commence business and, for that purpose,

I, IAN RICHARD BOLLON

of 29 Greenfield Road

Devizes

Wilts

being [the secretary] [a director] † of the above-named company, do
solemnly and sincerely declare that;

- 1 the nominal value of the company's allotted share capital is not
less than the authorised minimum
 - 2 the amount paid up, at the time of the application, on the
allotted share capital of the company is
 - 3 the ~~estimated~~ [estimated amount] †, of the preliminary expenses of
the company is
- and [bank charges] [are payable] † by

£ 12,500

£ 500

† ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

Presentor's name, address and
reference (if any):

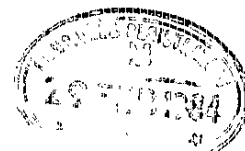
Biddle & Co
1 Gresham Street
London EC2V 7BU

ref: QO

For official use

General section

Post room



4a The amount paid or given to any promoter

£ NIL

b The amount intended to be paid or given to any promoter

£ NIL

c The benefit given to any promoter NIL

d The benefit intended to be given to any promoter NIL

5a The consideration for payment is NIL

b The consideration for benefit is NIL

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 112, Adelaide Street

Brandon Hill

Signature of Declarant



the 24 day of February

one thousand nine hundred and 84

before me 11/1

A Commissioner for Oaths or ~~Notary Public or Justice of the Peace or Solicitor~~ having the powers conferred on a Commissioner for Oaths

(J. L. GEORGE)

FILE COPY



CERTIFICATE OF A PUBLIC COMPANY BEING ENTITLED TO DO BUSINESS

No 1786119

/9

I hereby certify that

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

having complied with the conditions of section 4 of the
Companies Act, 1980, is entitled to do business.

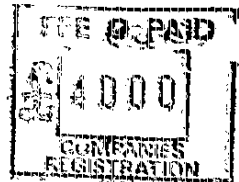
Given under my hand at Cardiff the 5TH MARCH 1984

A handwritten signature in cursive script, appearing to read 'T.G. Thomas', written over a horizontal line.

T.G. THOMAS
An Authorised Officer

No. 1786119

12.5.84



THE COMPANIES ACTS 1948 TO 1983

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

- of -

ETTINGTON HALL HOTEL PUBLIC LIMITED COMPANY

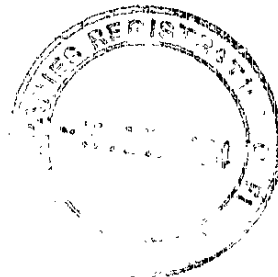
(PASSED 16th April, 1984)

At an Extraordinary General Meeting of the above-named Company duly convened and held at Stratton Road, Marshgate, Swindon, Wiltshire on the 16th April 1984 the following resolution was duly passed as a special resolution:-

RESOLUTION

THAT the name of the Company be changed to Ettington Park Hotel Public Limited Company.

Secretary



FILE COPY



CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

No. 1786119

IDA

I hereby certify that

ETTINGTON HALL HOTEL PUBLIC
LIMITED COMPANY

having by special resolution changed its name, is now
incorporated under the name of

ETTINGTON PARK HOTEL PUBLIC
LIMITED COMPANY

Given under my hand at the Companies Registration Office,
Cardiff the 22ND MAY 1984

D. G. Blackstock

D. G. BLACKSTOCK
an authorised officer

No. 1786119

15
THE COMPANIES ACTS 1948 to 1983

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

- of -

ETTINGTON PARK HOTEL PLC

(PASSED 29th August 1984)

At an Extraordinary General Meeting of the above-named Company duly convened and held at 27/28 Lovat Lane London EC3R 8EB on 29th August 1984 the following resolutions were duly passed as special resolutions:-



RESOLUTIONS

1. THAT the directors be and are hereby authorised pursuant to Section 14 of the Companies Act 1980:-

- (i) to allot and issue up to 733,333 Ordinary Shares of £1
- (ii) to issue a warrant substantially in the form of the draft produced to the Meeting and initialled by the Chairman to Granville Nominees Limited to subscribe for up to 53,166 Ordinary Shares of £1 each in the capital of the Company at any time from 1st December 1989 up to 2nd December 1994 or earlier in certain events

(being relevant securities within the meaning of Section 14 (10) of the Companies Act 1980) upon and subject to the terms of a Subscription Agreement proposed to be entered into between the Covenantors (as therein defined) the Company the Directors and Granville & Co. Limited this authority to expire on the date upon which the next Annual General Meeting of the Company is held

2. That clause 4 of the Memorandum of Association be altered by the deletion of the existing clause and its replacement by the printed document produced to the meeting marked "A" and for the purpose of identification signed by the Chairman.

3. That the Regulations contained in the printed document submitted to this Meeting marked "B" and for the purpose of identification signed by the Chairman be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.



Secretary

1786119

The Companies Acts 1948 to 1983

A PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

1. The name of the Company is "ETTINGTON PARK HOTEL PUBLIC LIMITED* COMPANY".
2. The registered office of the Company will be situate in England.
3. The Company is a public company.
4. The objects for which the Company is established are:- **
 - (A) (i) To carry on all or any of the businesses of managers, proprietors, owners and operators of hotels, restaurants, shops, health farms, conference, recreation and leisure centres, and of general caterers, refreshment contractors and theatre ticket agents, and to act as consultants and advisers in connection with any such businesses, and to let the Company's premises or any part thereof for banquets, dinners, balls, dances, conferences, conventions or concerts or for any other purpose whatsoever;
 - (ii) To acquire for any consideration any freehold or leasehold property and to construct thereon buildings, structures and facilities for use as hotels, restaurants, shops, health farms, conference, recreation and leisure centres and for any use related thereto and to develop and exploit any such property for the uses aforesaid by renovating, demolishing or rebuilding the existing buildings thereon and to fit up and furnish any building or structure on the said property for the purpose of letting the same to visitors, tourists, guests or anyone, whether in single rooms, suites, halls, chalets, cottages or otherwise.

* The Company was incorporated as Ettington Hall Hotel Public Limited Company on 24th January 1984. The Certificate recording the change to its present name was issued on 22nd May 1984.

** Clause 4 was substituted by a Special Resolution of the Company dated 29th August 1984.



- (B) to buy, sell (both to persons residing on the Company's premises and to others), import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirit, beer and alcoholic beverages, tobacco, druggist supplies, beverages, linen, furniture and furnishings and all other articles and things of every description capable of being dealt with in connection with the above mentioned businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.
- (C) To acquire and take over for any consideration the whole or any part of the undertaking, property, rights and liabilities of any person or company the acquisition of which appears capable of being advantageously or conveniently employed in connection with or by way of extension of any business of the Company or otherwise suitable for its purposes.
- (D) To receive money on deposit, at interest or otherwise, issue and cash cheques, open current accounts, carry on the business of bankers, financial agents and money changers, and receive valuables, goods and materials of all kinds for safe custody.
- (E) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any stocks, shares or securities or liabilities of any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company.
- (F) To take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities or obligations in any other company having objects altogether or in part similar to those of this Company, or engaged or proposing to engage in any business or activity capable of being conducted so as directly or indirectly to benefit this Company.
- (G) To promote or concur in promoting any other company whose objects shall include the acquisition of all or any of the property, rights or liabilities of this Company, or the promotion of which may seem calculated directly or indirectly to benefit this Company, and to acquire and hold shares, stock, debentures, debenture stock or other securities or obligations of any such company.
- (H) To purchase, take on lease or in exchange, or otherwise acquire any real or personal property, patents, licences, rights or privileges which the Company may consider necessary or convenient, and to construct, maintain and alter any

buildings or works and develop and turn to account and deal with the same or any other property acquired as aforesaid in such manner as may be considered expedient.

- (I) To develop, manage, improve, farm and assist in developing, managing, improving or farming any land or other property belonging to the Company, or in which the Company is interested, and for that purpose to grant and agree to grant or accept leases of every description, and to make advances, and to enter into guarantees, and generally to make such arrangements as may be considered expedient.
- (J) To borrow or raise or secure the payment of money and interest thereon in any manner and upon any terms, and for such purposes, or any other purposes, to issue debentures or debenture stock, perpetual or otherwise, and to mortgage or charge all or any of the Company's property or rights, present and future, including its uncalled capital, and collaterally or further to secure any securities of the Company by a trust deed or other instrument.
- (K) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (L) To apply for and accept allotments of, and to buy and sell and to deal in and dispose of shares, stock, debentures, debenture stock, or other securities or obligations of any company.
- (M) To issue any shares, stock, debentures, debenture stock or other securities or obligations which the Company has power to issue, by way of security or indemnity, to any person whom the Company has agreed or is bound to indemnify, or in satisfaction of any liability.
- (N) To provide remuneration, rewards, incentives and facilities of every description for the present and former officers, executives and other employees of the Company and of any of its subsidiary and associated companies, and in particular to establish and contribute to any funds or schemes for the provision of pensions, life and other insurance and similar benefits for, and to pay gratuities and allowances to, any of such persons and members of their families and their dependants, and to establish and finance any schemes for the time being authorised by law for the acquisition by any of such officers, executives and employees of shares or loan capital of the Company or its holding company or any interest therein.
- (O) To sponsor, subsidise or guarantee money for any charitable or benevolent purpose or for any cultural or sporting event, exhibition or performance, or for any public or useful object, either alone or in conjunction with others.
- (P) To apply for, purchase or otherwise acquire any patents, trade

or service marks, names, designs, concessions, licences and the like, conferring any right to use, or any secret or other information which may seem capable of being used for any purpose of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit this Company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the property, rights and information so acquired.

- (Q) To lend money and grant or provide credit and financial accommodation to any person or company and to carry on the business of a banking, finance or insurance company.
- (R) To invest any moneys of the Company not required for the purposes of its business in such investments, securities or other assets as may be thought expedient.
- (S) To enter into any partnership or co-operate with any person or company engaged or interested or about to become engaged or interested in any activity from which this Company would or might derive any benefit, whether direct or indirect, and to amalgamate with any other company.
- (T) To sell or dispose of the undertaking of the Company or any part thereof in such manner and for such consideration as the Company may think fit, and in particular for shares, stock, debentures, debenture stock, or other securities or obligations of any other company, whether promoted by this Company for the purpose or not.
- (U) To take all appropriate steps in Parliament or with the authorities, national, local, municipal or otherwise of any place in which the Company may have interests, and to carry on any negotiations or operations for any purpose of the Company, or for furthering the interests of its members, and to oppose any such steps taken by any other person or company which may seem calculated, directly or indirectly, to prejudice the interests of this Company or its members.
- (V) To procure the registration or incorporation of the Company in or under the laws of any place outside England, and to establish local registers and business branches in any part of the world.
- (W) To distribute any of the Company's property among the members in specie.
- (X) To do all or any of the above things in any part of the world, and either as principals, agents, trustees or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- (Y) To do all such other things as, in the opinion of the Board of Directors of the Company, are incidental or as may be thought conducive to the attainment of the above objects or any of them.

- (2) To carry on any other business or activity which, in the opinion of the Board of Directors of the Company, is or may be capable of being conveniently carried on in connection with, or likely directly or indirectly to enhance the value of, any existing business, property or rights of the Company.

And it is hereby declared that the word "company" in this clause and in the Articles of Association for the time being of the Company, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Great Britain or elsewhere, and that the objects specified in the different paragraphs of this clause shall, except where otherwise expressed in such paragraphs, be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

5. The liability of the members is limited.

6. The share capital of the Company is £1,500,000 divided into 1,500,000 shares of £1 each.

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

NAMES, ADDRESSES AND DESCRIPTIONS OF
SUBSCRIBERS

Number of Shares
taken by each
Subscriber

CHARLES WILLIAM MATHIESEN
1 Gresham Street
London EC2V 7BU

Solicitor

One

PETER SHAW WATSON
1 Gresham Street
London EC2V 7BU

Solicitor

One

Dated this 19th day of December 1983

Witness to the above signatures:-

Barbara Ives
1 Gresham Street
London EC2V 7BU

Secretary

178649
habsh

The Companies Acts 1948 to 1983

Company Limited by Shares

ARTICLES OF ASSOCIATION
of
ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

(As at 29th August 1984)

PRELIMINARY

1. The regulations in Table A in the First Schedule to the Companies Act 1948 shall not apply to the Company.

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

WORDS	MEANINGS
the Act	the Companies Act 1948.
the Auditors	the auditors for the time being of the Company.
the Statutes	the Companies Acts 1948 to 1983 or any statutory re-enactment or modification thereof for the time being in force; and any reference to any section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
these Articles	these Articles of Association as from time to time altered by Special Resolution.
the Board	the Directors or any of them acting as the Board of Directors of the Company.
the Office	the Registered Office of the Company.
the Seal	the Common Seal of the Company.
the Register	the Register of Members of the Company.
the United Kingdom	Great Britain and Northern Ireland.
paid	paid or credited as paid.
dividend	dividend or bonus.



month calendar month.

in writing written, or produced by any visible substitute for writing, or partly one and partly another.

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

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

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

SHARE CAPITAL

3. The Share Capital of the Company at the date of the passing of the resolution adopting these Articles is £1,500,000 divided into 1,500,000 Ordinary Shares of £1 each.

ISSUE OF NEW SHARES

4. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine.

(2) For the purposes of Section 14 of the Companies Act 1980, the Board is generally and unconditionally authorised to allot the shares specified in Article 3 which are for the time being unissued. This authority shall expire five years from the date on which the resolution adopting these Articles is passed, but the Company in General Meeting may by Special Resolution revoke or from time to time vary or renew this authority, whether in its original or in any previously varied or renewed form, provided that the period of any such renewal shall not exceed five years. The Company may make any offer or arrangement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Board may allot relevant securities in pursuance of any such offer or agreement. In this paragraph, references to the allotment of relevant securities shall be construed in accordance with Section 14 of the Companies Act 1980.

(3) The Board is empowered pursuant to Section 18 of the Companies Act 1980 to allot equity securities pursuant to the authority contained in paragraph (2) of this Article as if Section 17(1) of that Act did not apply to any such allotment.

(4) Subject to paragraphs (2) and (3) of this Article and to the Statutes, the Board may allot, issue or grant options over any shares for the time being unissued, and may determine the rights to be attached thereto and the terms upon which they may be allotted or issued, unless the Company in General Meeting shall otherwise resolve.

VARIATION OF RIGHTS

5. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise). All the provisions of these Articles relating to General Meetings shall, mutatis mutandis, apply to every such separate General Meeting, 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 or, at any adjourned meeting of such holders, those Members who are present in person or by proxy, whatever their holdings, and except that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

6. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

7. Subject to the provisions of Section 53 of the Act, the Company may pay such commission as is referred to in that Section. Such commission may be satisfied by the payment of cash, deductions from subscription moneys received or the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

8. If any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions contained in the Statutes, pay interest on so much of such share capital as is for the time being paid up, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of the plant.

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

10. Subject to the provisions of the Companies Act 1981:-

- (a) any shares may with the sanction of a special resolution of the Company, be issued on terms that they are, or at the option of the Company or of the holders of such shares are liable, to be redeemed;

- (b) the Company may purchase any of its own shares.
11. Unless permitted by the Statutes:-
- (a) no part of the funds of the Company shall be employed in loans upon the security of shares in the Company;
 - (b) the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription of or for any shares in the Company or its holding company (if any);
 - (c) the Company shall not make or guarantee, or provide any security in connection with, a loan to any Director or to any director of its holding company (if any);
 - (d) the Company shall not be a member of a company which is its holding company.

CERTIFICATES

12. (1) Every person whose name is entered as a Member in the Register shall be entitled without payment to receive one certificate in respect of each class of shares held by him, or, with the consent of the Board and upon payment of such sum (if any) for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a Member has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.

(2) Every certificate shall specify the shares to which it relates, and the amount paid up thereon. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held, and delivery of a certificate for a share to one of several joint holders shall be deemed sufficient delivery to all.

13. If a share certificate is worn out, defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security as the Board requires. In the case of loss or destruction the person to whom the new certificate is issued shall pay to the Company all expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

CALLS ON SHARES

14. (1) Subject to any terms upon which any shares may have been issued and subject to paragraph (4) of this Article the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share

shall exceed one-fourth of the nominal amount of the share or be payable within one month from the date fixed for the payment of the last preceding call and that at least one month's notice shall be given of every call specifying the time or times and place of payment. A call may be revoked or the time fixed for its payment postponed by the Board.

(2) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be made payable by instalments.

(3) The Board may not differentiate between the holders as to the amount of calls to be paid and the times of payment.

(4) With the unanimous consent of the holders of shares on which any monies remain unpaid the Board may make calls otherwise than as provided for in this Article.

15. (1) Each Member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(2) If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the day fixed for payment to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board determines; but the Board shall be at liberty to waive payment of such interest wholly or in part.

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

17. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate (if any) as may be agreed upon between the Board and such Member.

LIEN ON SHARES

18. 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 that share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable thereon.

19. (1) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made

unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and stating the intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled to the share by reason of death or bankruptcy.

(2) To give effect to any such sale the Board may authorise some person to execute a transfer of the shares sold to the purchaser. The purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(3) The proceeds of sale shall be received by the Company and applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall be paid to the person entitled to the shares at the date of the sale.

FORFEITURE AND SURRENDER OF SHARES

20. (1) If a Member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

(2) The notice shall fix a further day (not being less than seven days from the date 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 at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

21. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

22. A forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit; and at any time before sale, re-allotment or disposal, the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.

23. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate not exceeding 10 per cent.

per annum as the Board shall think fit from the date of forfeiture until payment; but his liability shall cease if and when the Company shall have received payment in full of all moneys in respect of the shares.

24. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

25. A statutory declaration in writing that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After the person to whom the share is sold, re-allotted or disposed of shall have been registered as the holder thereof, his title to the share shall not 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

26. All transfers of shares shall be effected by instrument in writing in any form authorised by the Stock Transfer Act 1963 or in such other form as the Board may approve. The instruments of transfer shall be retained by the Company.

27. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

28. The Board may, in its absolute discretion, refuse to register any instrument of transfer of, or which includes, shares which are not fully paid, but shall not be bound to specify the grounds upon which such registration is refused.

29. The Board may also refuse to register any instrument of transfer of shares, if:-

- (a) it is not accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) it is of shares of more than one class, or
- (c) in the case of a transfer to joint holders, the holders exceed four in number, or
- (d) it is a transfer not permitted by or made pursuant to the next succeeding Article.
- (e) it is a transfer the registration of which in the reasonable opinion of the Board would cause any person (whether or not through or together with a nominee or nominees) to be able

to control the Company within the meaning of Section 302 (2) of the Income and Corporation Taxes Act 1970.

30. (1) Subject to Articles 28 and 29 shares may be transferred by any Member, or by the trustees of any settlement made by a Member or at any time after the death of a Member by his personal representatives or the trustees of his will, to the spouse, widower or widow, child or other issue, brother or sister of such Member or deceased Member, or to trustees of a settlement made for the benefit of any such persons, and upon any change of trustees of any such will or settlement the shares held by the trustees thereof may be transferred to the trustees for the time being thereof. For the purposes of this paragraph "child" shall include a stepchild and an adopted child, and "issue" shall be construed accordingly.
- (2) Except when the transfer is made pursuant to paragraph (1) of this Article, any person proposing to transfer shares ("the Retiring Member") shall, before transferring any shares, give a notice in writing ("a transfer notice") to the Company that he wishes to transfer the same, and may specify in such notice the name of the proposed transferee and the price which he is prepared to accept for the shares, and such transfer notice shall constitute the Company his agent for the sale of the shares therein mentioned ("the offered shares") in accordance with the provisions of this Article.
- (3) A transfer notice once given shall not be revocable except with the consent of the Board or except as hereinafter expressly permitted. A transfer notice given by any one of joint holders shall be binding upon all.
- (4) If the Company within three months after any transfer notice has been given notifies the Retiring Member in writing that it has found one or more members or other persons ("the purchaser") wishing to purchase any of the offered shares he shall (subject to paragraph (6) of this Article) be bound within twenty-eight days afterwards, upon payment of the prescribed price, to transfer to the purchaser the shares which the purchaser wishes to purchase ("the sold shares").
- (5) If the Retiring Member, after having become bound as aforesaid, fails to transfer the sold shares, the Company may receive the purchase money and may appoint some person on behalf of the Retiring Member to sign a transfer or transfers of the sold shares, and upon registration thereof shall enter the name of the purchaser in the register as the holder of the sold shares, and shall hold the purchase money in trust for the Retiring Member. The receipt of the Company for the purchase money shall be a good discharge to the purchaser, who shall not be bound to see to its application, and after the name of the purchaser has been entered in the register in purported exercise of the foregoing powers, the validity of the proceedings shall not be questioned.

(6) If within three months after receiving a transfer notice the Company does not notify the Retiring Member in accordance with paragraph (4) of this Article, or notifies him in writing that it has not been able to find a purchaser for any of the offered shares, then the Retiring Member may either revoke the transfer notice or at any time within six months after giving the transfer notice transfer the offered shares or any of them to the person named in the transfer notice at any price not being less than the prescribed price. If the Retiring Member is notified in accordance with paragraph (5) of this Article that the Company has found a purchaser for some but not all of the offered shares then the Retiring Member may either:-

- (a) at any time within six months after giving the transfer notice transfer the offered shares or any of them to any person at any price not being less than the prescribed price, and may retain any of the offered shares not so transferred; or
- (b) transfer the sold shares to the purchaser and at any time within six months after giving the transfer notice transfer the remainder of the offered shares or any of them to any person at any price not being less than the prescribed price; or
- (c) retain all the offered shares and treat the transfer notice as spent.

(7) The prescribed price shall be fixed in the following manner. Upon receipt of a transfer notice a meeting of the Board shall be convened for the purpose of fixing the prescribed price. If the Board resolves that the value if any fixed by the Retiring Member is the fair value of the offered shares, then the value so fixed shall be the prescribed price. If the Board does not so resolve then the Auditors for the time being of the Company shall at its request and cost certify in writing the sum which in their opinion is the fair value of the offered shares and the sum so certified shall be deemed to be the prescribed price. In so certifying the Auditors shall be considered to be acting as experts and not as arbitrators, and accordingly the Arbitration Acts 1950 to 1979, and any statutory modification or re-enactment thereof shall not apply.

(8) The offered shares shall be offered by the Company in the first place to all persons holding shares in the Company (other than the Retiring Member) in proportion as nearly as may be to their existing holdings of such shares. Every offer shall be made in writing specifying the number of shares offered, limiting a time within which the offer if not accepted will be deemed to be declined and informing the offeree that if he wishes to purchase shares in excess of that number he should enclose with his acceptance an application for the number of excess shares he requires. Any shares not originally offered under this paragraph because they were not capable of apportionment without fractions,

and any shares not accepted by such offerees, shall be used for satisfying rateably as nearly as may be applications for excess shares. Any of the offered shares which are not within the said time limit accepted or applied for may be offered by the Board to such person or persons as the Board may determine.

31. Within seven days of termination of the employment by the Company (for whatever reason) of any person who at the date of termination is or has been a director of the Company and who at that date holds shares in the Company ("the Retiring Director") the Retiring Director shall serve a transfer notice on the Company in accordance with paragraph (2) of the preceding Article in respect of his entire shareholding. If the Retiring Director shall fail to serve a transfer notice within the said period of seven days, the Company may appoint some person on behalf of the Retiring Director to serve a transfer notice in respect of the Retiring Director's shares. The person so appointed by the Company may in his absolute discretion decide the identity of the proposed transferee and the price to be stated in the transfer notice.

32. If the Board refuses to register a transfer, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

33. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES

34. In the case of the death of a Member, the survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his share; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons.

35. (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be properly required by the Board and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof.

(2) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of the share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by that member.

36. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall subject to the requirement of Article 120 be entitled to receive, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or to any of the rights or privileges of a Member until he shall have become a Member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF SHARES

37. 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 and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the Members in respect of whose shares the fractions arise;
- (b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Statutes;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

INCREASE OF CAPITAL

38. The Company may by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe.

REDUCTION OF CAPITAL

39. Subject to the provisions of the Statutes, the Company may by Special Resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any way.

MEETINGS OF MEMBERS CONVENING OF GENERAL MEETINGS

40. Within eighteen months from its incorporation and in every calendar year subsequent to that in which the first Annual General Meeting is held, the Company shall hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. Not more than fifteen

months shall elapse between the date of one Annual General Meeting and that of the next.

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

42. The Board may call an Extraordinary General Meeting whenever it thinks fit, and, on the requisition of Members in accordance with the Statutes, it shall forthwith convene an Extraordinary General Meeting. Whenever the Board shall convene an Extraordinary General Meeting on the requisition of Members, it shall convene such meeting for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

43. Fourteen clear days' notice at the least or, in the case of an Annual General Meeting or a meeting convened to pass a Special Resolution, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given in manner provided by these Articles to such Members as are, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Company's Auditors.

44. Every notice of meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of such business. Every notice convening an Annual General Meeting shall specify the meeting as such and every notice convening a meeting to pass a Special or Extraordinary Resolution shall also specify the intention to propose the resolution as a Special or Extraordinary Resolution, as the case may be. Every notice of meeting shall state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote thereat instead of him and that a proxy need not be a Member.

45. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

46. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and Auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the appointment or

re-appointment of, and the fixing of the remuneration of, the Auditors.

47. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 59.

48. If within fifteen minutes from the time fixed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day and to such time, and place, as may be fixed by the Chairman of the meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the Members present in person or by proxy shall be a quorum.

49. The chairman of the Board or in his absence the deputy chairman shall preside as Chairman at every General Meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of themselves to be chairman of the Meeting.

50. The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or for an indefinite period, notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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

- (a) by the chairman of the meeting; or
- (b) by at least two Members present in person or by proxy or (being a corporation) present by a representative and entitled to vote; or
- (c) by any Member or Members present in person or by proxy or (being a corporation) present by a representative and representing not less than one-tenth of the total voting rights on a poll of all the Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or by proxy or (being a corporation) present by a representative 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.

Unless a poll is so demanded, 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 the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

52. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

53. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting; but, if a demand is withdrawn, the chairman of the meeting or other Members entitled may himself or themselves demand a poll.

54. 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 further or casting vote in addition to the votes to which he may be entitled as a Member or as a representative or proxy of a Member.

VOTES OF MEMBERS

55. Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, every Member present in person shall have one vote on a show of hands, and on a poll every Member shall have one vote for every £1 nominal amount of equity share capital of which he is the holder: Provided that, unless the Directors otherwise determine and subject to the Statutes, no member shall 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 he or any person appearing to be interested in shares held by him has been served with a notice under Section 74 of the Companies Act 1981 and he or any such person is in default in supplying to the Company the information thereby requested within twenty-eight days from such service.

56. On a poll votes may be given in person or by proxy.

57. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

58. 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.

59. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any General Meeting, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

60. A Member incapable by reason of mental disorder of managing and administering his property and affairs, may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any Court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy.

61. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

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

63. Proxy forms shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and such proxy forms shall provide for two-way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting or to the remuneration of the Auditors. The instrument of proxy shall be in writing under the hand of the appointor or his attorney, or, if such appointor be a corporation, under its common seal, or the hand of a duly authorised officer or attorney, but the execution of such instrument need not be attested.

64. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority, shall be deposited at the Office (or at such other place as shall be specified in the notice of meeting or any proxy form or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than forty-eight hours before the time appointed for taking the poll; unless so deposited the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.

65. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal, or revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the Office (or other place referred to in the preceding Article) before the commencement of the meeting or adjourned

meeting at which the instrument of proxy is used.

DIRECTORS
NUMBER APPOINTMENT AND RETIREMENT OF DIRECTORS

66. Subject to any Ordinary Resolution of the Company, the Directors shall not be less than three in number. There is no maximum number of Directors.

67. Directors shall not require a share qualification.

68. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall retire from office at the next following Annual General Meeting, and shall then be eligible for re-appointment.

69. The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a General Meeting of the Company, but not for any other purpose.

70. Except as otherwise authorised by the Statutes, the appointment of any person proposed as a Director shall be effected by a separate resolution.

71. (1) For so long as not less than 1% of the issued share capital of the Company is registered in the name of Granville & Co Limited or any of its subsidiaries or their nominees and held by such registered holder ("the Manager") as nominee for investors in the Granville Business Expansion Fund 1984/85 the Manager may from time to time by notice to the Company in writing appoint and remove any person to be a Director ("the Granville Director") but so that not more than one Director shall at any time hold office by virtue of appointment pursuant to this Article.

(2) On any resolution of the Company in general meeting to remove a Granville Director appointed pursuant to paragraph (1) of this Article the shares then registered in the name of the Manager shall carry at least one vote in excess of seventy five per cent of the votes exercisable at the general meeting at which such resolution is to be proposed.

(3) For so long as not less than 1% of the issued equity share capital of the Company is registered in the name of Isis Industrial Services Public Limited Company ("Isis") or any of its subsidiaries or their nominees Isis may from time to time by notice to the Company appoint and remove any person to be a Director ("the Isis Director") but so that no more than one Director shall at any time hold office by virtue of appointment pursuant to this Article.

(4) On any resolution of the Company in general meeting to remove the Isis Director appointed pursuant to Paragraph (3) of this Article the shares then registered in the names of Isis, its subsidiaries and their nominees shall together carry at least one vote in excess of

seventy five per cent of the votes exercisable at the general meeting at which such resolution is to be proposed.

72. At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office; provided that the Granville Director and the Isis Director shall not be subject to retirement by rotation.

73. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

74. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the Retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

75. No person other than a Director retiring at a meeting shall, unless recommended by the Directors, be appointed a Director at any general meeting unless, not less than seven nor more than forty-eight days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed.

REMUNERATION OF DIRECTORS

76. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company may from time to time by Ordinary Resolution determine. Such remuneration shall be divided among them in such proportion and manner as the Directors may determine. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or General Meetings, or which they may otherwise properly incur in or about the business of the Company.

77. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

POWERS OF DIRECTORS

78. The business of the Company shall be managed by the Board, and the Board may pay all expenses incurred in forming and registering the Company, and 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. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board

by any other Article.

79. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.

80. The Board may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such directors or employees.

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

82. The Board may from time to time make and vary such regulations as it thinks fit respecting the keeping of Dominion Registers of Members pursuant to the Statutes.

BORROWING

83.(1) Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (being the Company and its subsidiaries for the time being or any of such companies) (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of a Special Resolution of the Company exceed an amount equal to twice the aggregate of:-

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated capital and revenue reserves of the Company and its

subsidiaries (including retained earnings and amounts set aside for tax equalisation);

all as shown in the latest audited and consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of:-

- (a) any variation in the amount paid up on the issued share capital of the Company and in the share premium account since the date of such balance sheet;
- (b) any distribution from such reserves (otherwise than to the Company or to a subsidiary) not provided for therein;
- (c) the exclusion of any sums set aside for future taxation (other than tax equalisation); and
- (d) the deduction of any debit balance on profit and loss account as shown in such balance sheet.

(3) For the purposes of these Articles the expression "Moneys borrowed" shall include the principal amount (together with any fixed or minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:-

- (a) amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied);
- (b) moneys borrowed by a partly owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.

(4) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual 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 limit hereby imposed had been or would thereby be exceeded.

MANAGING AND EXECUTIVE DIRECTORS

84. The Board may from time to time:-

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

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

85. A Director appointed to the office of Managing Director shall (subject to the provision of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall ipso facto cease to be Managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser).

86. An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.

87. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

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

ALTERNATE DIRECTORS

89. (1) Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by a resolution of the Board, and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.

(2) The appointment of an alternate Director shall automatically determine in any of the following events:-

- (a) if his appointor shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- (c) if by writing under his hand left at the Office he shall resign such appointment;
- (d) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.

(3) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform all functions as a Director of his appointor in his absence.

(4) An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

(5) An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.

(6) Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall take effect (subject to any approval required by paragraph (1) of this Article) upon receipt of such written appointment or removal at the Office or by the Secretary.

(7) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

PROCEEDINGS OF THE BOARD

90. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.

91. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three. A Director or any other person who is present at a meeting of the Board as an alternate Director shall only be counted as two or more for quorum purposes if at least one other Director or duly appointed alternate Director is also present thereat.

92. The Board may appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, the Directors present may choose one of their number to act as chairman of such meeting.

93. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) shall be as valid and effective as a resolution passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of such Directors. In the absence of a Director the signature of an alternate Director (if any) appointed by him shall be necessary.

94. The Board may delegate any of its power to committees consisting of such member or members of its body as it thinks fit with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the proceedings and meetings of the Board.

95. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

MINUTES

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

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of the Board.

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

DISQUALIFICATION OF DIRECTORS

97.(1) The office of a Director shall be vacated in any of the following events, namely:-

- (a) if (not being a Managing Director holding office as such for a fixed term) he resigns his office by notice in writing to the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

- (c) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) if he is absent from meetings of the Board for six months without leave, expressed by a resolution of the Board, and his alternate Director, (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (e) if pursuant to any provision of the Statutes he is removed or prohibited from being a Director

(2) There shall not be any age limit for Directors and sub-sections (1) to (6) of Section 185 of the Act shall not apply to the Company.

98.(1) No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement in which any Director shall be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by him from such contract or arrangement by reason of such Director holding that office or the fiduciary relation thereby established. A Director so interested in any contract or arrangement shall declare the nature of his interest in accordance with the provisions of the Statutes.

(2) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

- (d) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) without prejudice to the generality of (d) above, any proposal concerning Isis Industrial Services Public Limited Company or any of its subsidiaries;
- (f) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.

(4) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (3) (d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(5) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

(6) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

99. (1) A Director may be or become a director or other officer of any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise, and no such Director shall (unless otherwise agreed) be accountable for any benefits received as director or other officer of such company.

(2) The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

(3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

REMOVAL OF DIRECTORS

100. The Company may, pursuant and subject to the provisions of Section 184 of the Act, by Ordinary Resolution remove any Director (including a Managing Director) before the expiration of his period of office.

SECRETARY

101. Subject to the Statutes, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

102. A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

103 (1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board and, subject to the provisions of this Article, every instrument to which the Seal shall be affixed shall be signed by at least two Directors or by one Director and the Secretary or some other person appointed by the Board for the purpose.

(2) All forms of certificates for shares, or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the Seal in manner above provided; but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.

104. The Company may exercise the powers conferred by Section 35 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

ACCOUNTING RECORDS AND DIVIDENDS BOOKS AND REGISTERS

105. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provision of the Statutes.

106. The accounting records shall be kept at the Office or (subject to the provisions of the Statutes) at such other place in Great Britain as the Board thinks fit, and shall at all times be open to inspection by the officers of the Company. No Member (other than an

officer of the Company) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Board or by an Ordinary Resolution of the Company.

107. The Board shall in accordance with the Statutes cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.

108. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall, at least twenty-one days previously to the meeting, be delivered or sent by post to every Member and to every debenture holder of the Company of whose address the Company is aware, or, in the case of joint holders of any share or debenture, to one of the joint holders.

AUDIT

109. Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes.

110. The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before the Company in General Meeting and shall be open to inspection by any Member; and in accordance with the Statutes every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

DIVIDENDS AND RESERVES

111. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

112. No dividend or interim dividend shall be payable except as permitted by the Statutes.

113. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid on the share.

114. All dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

115. Any General Meeting declaring a dividend may upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in

particular of fully paid shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the Members entitled to the dividend, as may seem expedient to the Board.

116. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course.

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

118. The Board may deduct from any dividend payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.

119. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by Ordinary Resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

120. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a Member in respect of such shares.

121. No dividend or other moneys payable in respect of a share shall bear interest against the Company. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

122. Any dividend may be paid by cheque or warrant sent through the post to the address in the Register of the Member or person entitled thereto, and in case of joint holders to any one of such joint holders, or to such person and to such other address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the Member's risk, and payment of the cheque or warrant shall be a good discharge to the Company.

123. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any moneys payable in respect of the share.

CAPITALISATION OF PROFITS

124. (1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the Members holding Ordinary Shares on the record date specified in the relevant resolution who would have been entitled thereto if distributed by way of dividend and in the same proportions.

(2) Subject to any direction given by the Company, the Board shall make all appropriations and applications of the profits resolved to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the Members entitled thereto either:-

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively; or
- (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such Members in the proportion aforesaid; or

or partly in one way and partly in the other; provided that the only purpose to which sums standing to capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

(3) The Board shall have power after the passing of any such resolution:-

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing (as the case may require) either:-
 - (i) for the payment up by the Company in behalf of such Members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
 - (ii) for the allotment to such Members respectively, credited as fully paid up, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation;

and any agreement made under such authority shall be effective and binding on all such Members.

(4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any Convertible Preference shares or other shares issued on special conditions and shall include:-

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve fund or to share premium or other special account.

NOTICES

125. Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his address in the Register. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

126. Any Member whose address in the Register is not within the United Kingdom, who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address; but, save as aforesaid, no Member other than a Member whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company.

127. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is posted (by whatever class of post). In proving such service it shall be sufficient to prove that the letter containing the notice of document was properly addressed, stamped and posted.

128. Any notice or document sent by post to, or left at the address in the Register of, any Member in pursuance of these Articles shall, notwithstanding such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as holder or joint holder thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such share.

129. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered in the Register, shall have been duly given to the person from whom he derives his title to such share.

WINDING UP

130. If the Company shall be wound up, the Liquidator may with the sanction of an Extraordinary Resolution, divide amongst the Members in specie the whole or any part of the assets of the Company in such manner as he shall think fair, and may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.

131. The power of sale of a Liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.

INDEMNITY

132. The Directors, alternate Directors, Auditors, Secretary and other officers of the Company shall be indemnified out of its assets against all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under Section 448 of the Act in which relief is granted to them by the Court.

No. 1786119

19
THE COMPANIES ACTS 1948 to 1983

COMPANY LIMITED BY SHARES



SPECIAL RESOLUTION

- of -

ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

(PASSED 8TH NOVEMBER 1984)

At an Extraordinary General Meeting of the above-named Company duly convened and held at 27/28 Lovat Lane, London EC3R 8EB on 8th November 1984 the following resolution was duly passed as a special resolution:-

RESOLUTION

THAT the Company adopt new Articles of Association in the form of the document tabled at the meeting and signed for purposes of identification by the Chairman.

Chairman

The Companies Acts 1948 to 1983

Company Limited by Shares

ARTICLES OF ASSOCIATION
of
EXTINGTON PARK HOTEL PUBLIC LIMITED COMPANY
(As at 8th November 1984)

PRELIMINARY

1. The regulations in Table A in the First Schedule to the Companies Act 1948 shall not apply to the Company.

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

WORDS	MEANINGS
the Act	the Companies Act 1948.
the Auditors	the auditors for the time being of the Company.
the Statutes	the Companies Acts 1948 to 1983 or any statutory re-enactment or modification thereof for the time being in force; and any reference to any section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
these Articles	these Articles of Association as from time to time altered by Special Resolution.
the Board	the Directors or any of them acting as the Board of Directors of the Company.
the Office	the Registered Office of the Company.
the Seal	the Common Seal of the Company.
the Register	the Register of Members of the Company.
the United Kingdom	Great Britain and Northern Ireland.
paid	paid or credited as paid.
dividend	dividend or bonus.



month calendar month.

in writing written, or produced by any visible substitute for writing, or partly one and partly another.

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

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

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

SHARE CAPITAL

3. The Share Capital of the Company at the date of the passing of the resolution adopting these Articles is £1,500,000 divided into 1,500,000 Ordinary Shares of £1 each.

ISSUE OF NEW SHARES

4. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine.

 (2) For the purposes of Section 14 of the Companies Act 1980, the Board is generally and unconditionally authorised to allot the shares specified in Article 3 which are for the time being unissued. This authority shall expire five years from the date on which the resolution adopting these Articles is passed, but the Company in General Meeting may by Special Resolution revoke or from time to time vary or renew this authority, whether in its original or in any previously varied or renewed form, provided that the period of any such renewal shall not exceed five years. The Company may make any offer or arrangement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Board may allot relevant securities in pursuance of any such offer or agreement. In this paragraph, references to the allotment of relevant securities shall be construed in accordance with Section 14 of the Companies Act 1980.

 (3) The Board is empowered pursuant to Section 18 of the Companies Act 1980 to allot equity securities pursuant to the authority contained in paragraph (2) of this Article as if Section 17(1) of that Act did not apply to any such allotment.

 (4) Subject to paragraphs (2) and (3) of this Article and to the Statutes, the Board may allot, issue or grant options over any shares for the time being unissued, and may determine the rights to be attached thereto and the terms upon which they may be allotted or issued, unless the Company in General Meeting shall otherwise resolve.

VARIATION OF RIGHTS

5. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise). All the provisions of these Articles relating to General Meetings shall, mutatis mutandis, apply to every such separate General Meeting, 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 or, at any adjourned meeting of such holders, those Members who are present in person or by proxy, whatever their holdings, and except that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

6. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

7. Subject to the provisions of Section 53 of the Act, the Company may pay such commission as is referred to in that Section. Such commission may be satisfied by the payment of cash, deductions from subscription moneys received or the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

8. If any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions contained in the Statutes, pay interest on so much of such share capital as is for the time being paid up, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of the plant.

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

10. Subject to the provisions of the Companies Act 1981:-

- (a) any shares may with the sanction of a special resolution of the Company, be issued on terms that they are, or at the option of the Company or of the holders of such shares are liable, to be redeemed;

- (b) the Company may purchase any of its own shares.
11. Unless permitted by the Statutes:-
- (a) no part of the funds of the Company shall be employed in loans upon the security of shares in the Company;
- (b) the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription of or for any shares in the Company or its holding company (if any);
- (c) the Company shall not make or guarantee, or provide any security in connection with, a loan to any Director or to any director of its holding company (if any);
- (d) the Company shall not be a member of a company which is its holding company.

CERTIFICATES

12. (1) Every person whose name is entered as a Member in the Register shall be entitled without payment to receive one certificate in respect of each class of shares held by him, or, with the consent of the Board and upon payment of such sum (if any) for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a Member has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.

(2) Every certificate shall specify the shares to which it relates, and the amount paid up thereon. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held, and delivery of a certificate for a share to one of several joint holders shall be deemed sufficient delivery to all.

13. If a share certificate is worn out, defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security as the Board requires. In the case of loss or destruction the person to whom the new certificate is issued shall pay to the Company all expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

CALLS ON SHARES

14. (1) Subject to any terms upon which any shares may have been issued and subject to paragraph (4) of this Article the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share

shall exceed one-fourth of the nominal amount of the share or be payable within one month from the date fixed for the payment of the last preceding call and that at least one month's notice shall be given of every call specifying the time or times and place of payment. A call may be revoked or the time fixed for its payment postponed by the Board.

(2) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be made payable by instalments.

(3) The Board may not differentiate between the holders as to the amount of calls to be paid and the times of payment.

(4) With the unanimous consent of the holders of shares on which any monies remain unpaid the Board may make calls otherwise than as provided for in this Article.

15. (1) Each Member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(2) If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the day fixed for payment to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board determines; but the Board shall be at liberty to waive payment of such interest wholly or in part.

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

17. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate (if any) as may be agreed upon between the Board and such Member.

LIEN ON SHARES

18. 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 that share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable thereon.

19. (1) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made

unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and stating the intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled to the share by reason of death or bankruptcy.

(2) To give effect to any such sale the Board may authorise some person to execute a transfer of the shares sold to the purchaser. The purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(3) The proceeds of sale shall be received by the Company and applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall be paid to the person entitled to the shares at the date of the sale.

FORFEITURE AND SURRENDER OF SHARES

20. (1) If a Member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

(2) The notice shall fix a further day (not being less than seven days from the date 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 at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

21. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

22. A forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit; and at any time before sale, re-allotment or disposal, the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.

23. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate not exceeding 10 per cent.

per annum as the Board shall think fit from the date of forfeiture until payment; but his liability shall cease if and when the Company shall have received payment in full of all moneys in respect of the shares.

24. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

25. A statutory declaration in writing that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After the person to whom the share is sold, re-allotted or disposed of shall have been registered as the holder thereof, his title to the share shall not 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

26. All transfers of shares shall be effected by instrument in writing in any form authorised by the Stock Transfer Act 1963 or in such other form as the Board may approve. The instruments of transfer shall be retained by the Company.

27. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

28. The Board may, in its absolute discretion, refuse to register any instrument of transfer of, or which includes, shares which are not fully paid, but shall not be bound to specify the grounds upon which such registration is refused.

29. The Board may also refuse to register any instrument of transfer of shares, if:-

- (a) it is not accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) it is of shares of more than one class, or
- (c) in the case of a transfer to joint holders, the holders exceed four in number, or
- (d) it is a transfer not permitted by or made pursuant to the next succeeding Article.
- (e) it is a transfer the registration of which in the reasonable opinion of the Board would cause any person (whether or not through or together with a nominee or nominees) to be able

to control the Company within the meaning of Section 302 (2) of the Income and Corporation Taxes Act 1970.

30. (1) Subject to Articles 28 and 29 shares may be transferred by any Member, or by the trustees of any settlement made by a Member or at any time after the death of a Member by his personal representatives or the trustees of his will, to the spouse, widower or widow, child or other issue, brother or sister of such Member or deceased Member, or to trustees of a settlement made for the benefit of any such persons, and upon any change of trustees of any such will or settlement the shares held by the trustees thereof may be transferred to the trustee for the time being thereof. For the purposes of this paragraph "child" shall include a stepchild and an adopted child, and "issue" shall be construed accordingly.
- (2) Except when the transfer is made pursuant to paragraph (1) of this Article, any person proposing to transfer shares ("the Retiring Member") shall, before transferring any shares, give a notice in writing ("a transfer notice") to the Company that he wishes to transfer the same, and may specify in such notice the name of the proposed transferee and the price which he is prepared to accept for the shares, and such transfer notice shall constitute the Company his agent for the sale of the shares therein mentioned ("the offered shares") in accordance with the provisions of this Article.
- (3) A transfer notice once given shall not be revocable except with the consent of the Board or except as hereinafter expressly permitted. A transfer notice given by any one of joint holders shall be binding upon all.
- (4) If the Company within three months after any transfer notice has been given notifies the Retiring Member in writing that it has found one or more members or other persons ("the purchaser") wishing to purchase any of the offered shares he shall (subject to paragraph (6) of this Article) be bound within twenty-eight days afterwards, upon payment of the prescribed price, to transfer to the purchaser the shares which the purchaser wishes to purchase ("the sold shares").
- (5) If the Retiring Member, after having become bound as aforesaid, fails to transfer the sold shares, the Company may receive the purchase money and may appoint some person on behalf of the Retiring Member to sign a transfer or transfers of the sold shares, and upon registration thereof shall enter the name of the purchaser in the register as the holder of the sold shares, and shall hold the purchase money in trust for the Retiring Member. The receipt of the Company for the purchase money shall be a good discharge to the purchaser, who shall not be bound to see to its application, and after the name of the purchaser has been entered in the register in purported exercise of the foregoing powers, the validity of the proceedings shall not be questioned.

(6) If within three months after receiving a transfer notice the Company does not notify the Retiring Member in accordance with paragraph (4) of this Article, or notifies him in writing that it has not been able to find a purchaser for any of the offered shares, then the Retiring Member may either revoke the transfer notice or at any time within six months after giving the transfer notice transfer the offered shares or any of them to the person named in the transfer notice at any price not being less than the prescribed price. If the Retiring Member is notified in accordance with paragraph (5) of this Article that the Company has found a purchaser for some but not all of the offered shares then the Retiring Member may either:-

- (a) at any time within six months after giving the transfer notice transfer the offered shares or any of them to any person at any price not being less than the prescribed price, and may retain any of the offered shares not so transferred; or
- (b) transfer the sold shares to the purchaser and at any time within six months after giving the transfer notice transfer the remainder of the offered shares or any of them to any person at any price not being less than the prescribed price; or
- (c) retain all the offered shares and treat the transfer notice as spent.

(7) The prescribed price shall be fixed in the following manner. Upon receipt of a transfer notice a meeting of the Board shall be convened for the purpose of fixing the prescribed price. If the Board resolves that the value if any fixed by the Retiring Member is the fair value of the offered shares, then the value so fixed shall be the prescribed price. If the Board does not so resolve then the Auditors for the time being of the Company shall at its request and cost certify in writing the sum which in their opinion is the fair value of the offered shares and the sum so certified shall be deemed to be the prescribed price. In so certifying the Auditors shall be considered to be acting as experts and not as arbitrators, and accordingly the Arbitration Acts 1950 to 1979, and any statutory modification or re-enactment thereof shall not apply.

(8) The offered shares shall be offered by the Company in the first place to all persons holding shares in the Company (other than the Retiring Member) in proportion as nearly as may be to their existing holdings of such shares. Every offer shall be made in writing specifying the number of shares offered, limiting a time within which the offer if not accepted will be deemed to be declined and informing the offeree that if he wishes to purchase shares in excess of that number he should enclose with his acceptance an application for the number of excess shares he requires. Any shares not originally offered under this paragraph because they were not capable of apportionment without fractions,

and any shares not accepted by such offerees, shall be used for satisfying rateably as nearly as may be applications for excess shares. Any of the offered shares which are not within the said time limit accepted or applied for may be offered by the Board to such person or persons as the Board may determine.

31. Within seven days of termination of the employment by the Company (for whatever reason) of any person who at the date of termination is or has been a director of the Company and who at that date holds shares in the Company ("the Retiring Director") the Retiring Director shall serve a transfer notice on the Company in accordance with paragraph (2) of the preceding Article in respect of his entire shareholding other than any shares in the Company acquired by him under any share option scheme approved by the Inland Revenue. If the Retiring Director shall fail to serve a transfer notice within the said period of seven days, the Company may appoint some person on behalf of the Retiring Director to serve a transfer notice in respect of the Retiring Director's said shares. The person so appointed by the Company may in his absolute discretion decide the identity of the proposed transferee and the price to be stated in the transfer notice.

32. If the Board refuses to register a transfer, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

33. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES

34. In the case of the death of a Member, the survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his share; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons.

35. (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be properly required by the Board and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof.

(2) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of the share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by that member.

36. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall subject to the requirement of Article 120 be entitled to receive, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or to any of the rights or privileges of a Member until he shall have become a Member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF SHARES

37. 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 and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the Members in respect of whose shares the fractions arise;
- (b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Statutes;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

INCREASE OF CAPITAL

38. The Company may by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe.

REDUCTION OF CAPITAL

39. Subject to the provisions of the Statutes, the Company may by Special Resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any way.

MEETINGS OF MEMBERS CONVENING OF GENERAL MEETINGS

40. Within eighteen months from its incorporation and in every calendar year subsequent to that in which the first Annual General Meeting is held, the Company shall hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. Not more than fifteen

months shall elapse between the date of one Annual General Meeting and that of the next.

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

42. The Board may call an Extraordinary General Meeting whenever it thinks fit, and, on the requisition of Members in accordance with the Statutes, it shall forthwith convene an Extraordinary General Meeting. Whenever the Board shall convene an Extraordinary General Meeting on the requisition of Members, it shall convene such meeting for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

43. Fourteen clear days' notice at the least or, in the case of an Annual General Meeting or a meeting convened to pass a Special Resolution, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given in manner provided by these Articles to such Members as are, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Company's Auditors.

44. Every notice of meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of such business. Every notice convening an Annual General Meeting shall specify the meeting as such and every notice convening a meeting to pass a Special or Extraordinary Resolution shall also specify the intention to propose the resolution as a Special or Extraordinary Resolution, as the case may be. Every notice of meeting shall state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote thereat instead of him and that a proxy need not be a Member.

45. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

46. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and Auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the appointment or

re-appointment of, and the fixing of the remuneration of, the Auditors.

47. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 59.

48. If within fifteen minutes from the time fixed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day and to such time, and place, as may be fixed by the Chairman of the meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the Members present in person or by proxy shall be a quorum.

49. The chairman of the Board or in his absence the deputy chairman shall preside as Chairman at every General Meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of themselves to be chairman of the Meeting.

50. The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or for an indefinite period, notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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

- (a) by the chairman of the meeting; or
- (b) by at least two Members present in person or by proxy or (being a corporation) present by a representative and entitled to vote; or
- (c) by any Member or Members present in person or by proxy or (being a corporation) present by a representative and representing not less than one-tenth of the total voting rights on a poll of all the Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or by proxy or (being a corporation) present by a representative 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.

Unless a poll is so demanded, 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 the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

52. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

53. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting; but, if a demand is withdrawn, the chairman of the meeting or other Members entitled may himself or themselves demand a poll.

54. 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 further or casting vote in addition to the votes to which he may be entitled as a Member or as a representative or proxy of a Member.

VOTES OF MEMBERS

55. Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, every Member present in person shall have one vote on a show of hands, and on a poll every Member shall have one vote for every £1 nominal amount of equity share capital of which he is the holder: Provided that, unless the Directors otherwise determine and subject to the Statutes, no member shall 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 he or any person appearing to be interested in shares held by him has been served with a notice under Section 74 of the Companies Act 1981 and he or any such person is in default in supplying to the Company the information thereby requested within twenty-eight days from such service.

56. On a poll votes may be given in person or by proxy.

57. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

58. 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.

59. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any General Meeting, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

60. A Member incapable by reason of mental disorder of managing and administering his property and affairs, may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any Court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy.

61. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

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

63. Proxy forms shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and such proxy forms shall provide for two-way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting or to the remuneration of the Auditors. The instrument of proxy shall be in writing under the hand of the appointor or his attorney, or, if such appointor be a corporation, under its common seal, or the hand of a duly authorised officer or attorney, but the execution of such instrument need not be attested.

64. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority, shall be deposited at the Office (or at such other place as shall be specified in the notice of meeting or any proxy form or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than forty-eight hours before the time appointed for taking the poll; unless so deposited the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.

65. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal, or revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the Office (or other place referred to in the preceding Article) before the commencement of the meeting or adjourned

meeting at which the instrument of proxy is used.

DIRECTORS
NUMBER APPOINTMENT AND RETIREMENT OF DIRECTORS

66. Subject to any Ordinary Resolution of the Company, the Directors shall not be less than three in number. There is no maximum number of Directors.

67. Directors shall not require a share qualification.

68. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall retire from office at the next following Annual General Meeting, and shall then be eligible for re-appointment.

69. The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a General Meeting of the Company, but not for any other purpose.

70. Except as otherwise authorised by the Statutes, the appointment of any person proposed as a Director shall be effected by a separate resolution.

71. (1) For so long as not less than 1% of the issued share capital of the Company is registered in the name of Granville & Co Limited or any of its subsidiaries or their nominees and held by such registered holder ("the Manager") as nominee for investors in the Granville Business Expansion Fund 1984/85 the Manager may from time to time by notice to the Company in writing appoint and remove any person to be a Director ("the Granville Director") but so that not more than one Director shall at any time hold office by virtue of appointment pursuant to this Article.

(2) On any resolution of the Company in general meeting to remove a Granville Director appointed pursuant to paragraph (1) of this Article the shares then registered in the name of the Manager shall carry at least one vote in excess of seventy five per cent of the votes exercisable at the general meeting at which such resolution is to be proposed.

(3) For so long as not less than 1% of the issued equity share capital of the Company is registered in the name of Isis Industrial Services Public Limited Company ("Isis") or any of its subsidiaries or their nominees Isis may from time to time by notice to the Company appoint and remove any person to be a Director ("the Isis Director") but so that no more than one Director shall at any time hold office by virtue of appointment pursuant to this Article.

(4) On any resolution of the Company in general meeting to remove the Isis Director appointed pursuant to Paragraph (3) of this Article the shares then registered in the names of Isis, its subsidiaries and their nominees shall together carry at least one vote in excess of

seventy five per cent of the votes exercisable at the general meeting at which such resolution is to be proposed.

72. At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office; provided that the Granville Director and the Isis Director shall not be subject to retirement by rotation.

73. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

74. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the Retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

75. No person other than a Director retiring at a meeting shall, unless recommended by the Directors, be appointed a Director at any general meeting unless, not less than seven nor more than forty-eight days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed.

REMUNERATION OF DIRECTORS

76. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company may from time to time by Ordinary Resolution determine. Such remuneration shall be divided among them in such proportion and manner as the Directors may determine. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or General Meetings, or which they may otherwise properly incur in or about the business of the Company.

77. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

POWERS OF DIRECTORS

78. The business of the Company shall be managed by the Board, and the Board may pay all expenses incurred in forming and registering the Company, and 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. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board

by any other Article.

79. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.

80. The Board may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such directors or employees.

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

82. The Board may from time to time make and vary such regulations as it thinks fit respecting the keeping of Dominion Registers of Members pursuant to the Statutes.

BORROWING

83. (1) Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (being the Company and its subsidiaries for the time being or any of such companies) (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of a Special Resolution of the Company exceed an amount equal to twice the aggregate of:-

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated capital and revenue reserves of the Company and its

subsidiaries (including retained earnings and amounts set aside for tax equalisation);

all as shown in the latest audited and consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of:-

- (a) any variation in the amount paid up on the issued share capital of the Company and in the share premium account since the date of such balance sheet;
- (b) any distribution from such reserves (otherwise than to the Company or to a subsidiary) not provided for therein;
- (c) the exclusion of any sums set aside for future taxation (other than tax equalisation); and
- (d) the deduction of any debit balance on profit and loss account as shown in such balance sheet.

(3) For the purposes of these Articles the expression "Moneys borrowed" shall include the principal amount (together with any fixed or minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:-

- (a) amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied);
- (b) moneys borrowed by a partly owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.

(4) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual 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 limit hereby imposed had been or would thereby be exceeded.

MANAGING AND EXECUTIVE DIRECTORS

84. The Board may from time to time:-

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

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

85. A Director appointed to the office of Managing Director shall (subject to the provision of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall ipso facto cease to be Managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser).

86. An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.

87. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

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

ALTERNATE DIRECTORS

89.(1) Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by a resolution of the Board, and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.

(2) The appointment of an alternate Director shall automatically determine in any of the following events:-

- (a) if his appointor shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- (c) if by writing under his hand left at the Office he shall resign such appointment;
- (d) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.

(3) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform all functions as a Director of his appointor in his absence.

(4) An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

(5) An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.

(6) Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall take effect (subject to any approval required by paragraph (1) of this Article) upon receipt of such written appointment or removal at the Office or by the Secretary.

(7) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

PROCEEDINGS OF THE BOARD

90. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.

91. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three. A Director or any other person who is present at a meeting of the Board as an alternate Director shall only be counted as two or more for quorum purposes if at least one other Director or duly appointed alternate Director is also present thereat.

92. The Board may appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, the Directors present may choose one of their number to act as chairman of such meeting.

93. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) shall be as valid and effective as a resolution passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of such Directors. In the absence of a Director the signature of an alternate Director (if any) appointed by him shall be necessary.

94. The Board may delegate any of its power to committees consisting of such member or members of its body as it thinks fit with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the proceedings and meetings of the Board.

95. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

MINUTES

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

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of the Board.

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

DISQUALIFICATION OF DIRECTORS

97. (1) The office of a Director shall be vacated in any of the following events, namely:-

- (a) if (not being a Managing Director holding office as such for a fixed term) he resigns his office by notice in writing to the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

- (c) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) if he is absent from meetings of the Board for six months without leave, expressed by a resolution of the Board, and his alternate Director, (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (e) if pursuant to any provision of the Statutes he is removed or prohibited from being a Director

(2) There shall not be any age limit for Directors and sub-sections (1) to (6) of Section 185 of the Act shall not apply to the Company.

98.(1) No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement in which any Director shall be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by him from such contract or arrangement by reason of such Director holding that office or the fiduciary relation thereby established. A Director so interested in any contract or arrangement shall declare the nature of his interest in accordance with the provisions of the Statutes.

(2) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

- (d) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) without prejudice to the generality of (d) above, any proposal concerning Isis Industrial Services Public Limited Company or any of its subsidiaries;
- (f) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.

(4) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (3) (d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(5) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

(6) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

99. (1) A Director may be or become a director or other officer of any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise, and no such Director shall (unless otherwise agreed) be accountable for any benefits received as director or other officer of such company.

(2) The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

(3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

REMOVAL OF DIRECTORS

100. The Company may, pursuant and subject to the provisions of Section 184 of the Act, by Ordinary Resolution remove any Director (including a Managing Director) before the expiration of his period of office.

SECRETARY

101. Subject to the Statutes, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

102. A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

103 (1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board and, subject to the provisions of this Article, every instrument to which the Seal shall be affixed shall be signed by at least two Directors or by one Director and the Secretary or some other person appointed by the Board for the purpose.

(2) All forms of certificates for shares, or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the Seal in manner above provided; but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.

104. The Company may exercise the powers conferred by Section 35 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

ACCOUNTING RECORDS AND DIVIDENDS BOOKS AND REGISTERS

105. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provision of the Statutes.

106. The accounting records shall be kept at the Office or (subject to the provisions of the Statutes) at such other place in Great Britain as the Board thinks fit, and shall at all times be open to inspection by the officers of the Company. No Member (other than an

officer of the Company) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Board or by an Ordinary Resolution of the Company.

107. The Board shall in accordance with the Statutes cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.

108. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall, at least twenty-one days previously to the meeting, be delivered or sent by post to every Member and to every debenture holder of the Company of whose address the Company is aware, or, in the case of joint holders of any share or debenture, to one of the joint holders.

AUDIT

109. Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes.

110. The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before the Company in General Meeting and shall be open to inspection by any Member; and in accordance with the Statutes every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

DIVIDENDS AND RESERVES

111. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

112. No dividend or interim dividend shall be payable except as permitted by the Statutes.

113. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid on the share.

114. All dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

115. Any General Meeting declaring a dividend may upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in

particular of fully paid shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the Members entitled to the dividend, as may seem expedient to the Board.

116. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course.

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

118. The Board may deduct from any dividend payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.

119. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by Ordinary Resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

120. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a Member in respect of such shares.

121. No dividend or other moneys payable in respect of a share shall bear interest against the Company. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

122. Any dividend may be paid by cheque or warrant sent through the post to the address in the Register of the Member or person entitled thereto, and in case of joint holders to any one of such joint holders, or to such person and to such other address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the Member's risk, and payment of the cheque or warrant shall be a good discharge to the Company.

123. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any moneys payable in respect of the share.

CAPITALISATION OF PROFITS

124. (1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the Members holding Ordinary Shares on the record date specified in the relevant resolution who would have been entitled thereto if distributed by way of dividend and in the same proportions.

(2) Subject to any direction given by the Company, the Board shall make all appropriations and applications of the profits resolved to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the Members entitled thereto either:-

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively; or
- (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such Members in the proportion aforesaid; or

or partly in one way and partly in the other; provided that the only purpose to which sums standing to capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

(3) The Board shall have power after the passing of any such resolution:-

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing (as the case may require) either:-
 - (i) for the payment up by the Company in behalf of such Members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
 - (ii) for the allotment to such Members respectively, credited as fully paid up, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation;

and any agreement made under such authority shall be effective and binding on all such Members.

(4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any Convertible Preference shares or other shares issued on special conditions and shall include:-

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve fund or to share premium or other special account.

NOTICES

125. Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his address in the Register. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

126. Any Member whose address in the Register is not within the United Kingdom, who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address; but, save as aforesaid, no Member other than a Member whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company.

127. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is posted (by whatever class of post). In proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.

128. Any notice or document sent by post to, or left at the address in the Register of, any Member in pursuance of these Articles shall, notwithstanding such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as holder or joint holder thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such share.

129. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered in the Register, shall have been duly given to the person from whom he derives his title to such share.

WINDING UP

130. If the Company shall be wound up, the Liquidator may with the sanction of an Extraordinary Resolution, divide amongst the Members in specie the whole or any part of the assets of the Company in such manner as he shall think fair, and may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.

131. The power of sale of a Liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.

INDEMNITY

132. The Directors, alternate Directors, Auditors, Secretary and other officers of the Company shall be indemnified out of its assets against all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under Section 448 of the Act in which relief is granted to them by the Court.

THE COMPANIES ACTS 1948 TO 1981

Notice of new accounting reference date given during the course of an accounting reference period

Pursuant to section 3(1) of the Companies Act 1976

Please do not
write in this
binding margin

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

20

1786119

Name of company

ETTINGTON PARK HOTEL PLC

*delete if
inappropriate

XXXXXX

Note

Please read
notes 1 to 5
overleaf before
completing this
form

hereby gives you notice in accordance with section 3(1) of the Companies Act 1976 that the company's new accounting reference date on which the current accounting reference period and each subsequent accounting reference period of the company is to be treated as coming, or as having come, to an end is as shown below:

Day Month

3 1 0 3

†delete as
appropriate

The current accounting reference period of the company is to be treated as ~~extended~~ [extended]† and ~~is to be treated as having come to an end~~ [will come to an end]† on

Day Month Year

3 1 0 3 1 9 8 5

See note 4(c) and
complete if
appropriate

If this notice states that the current accounting reference period of the company is to be extended, and reliance is being placed on section 3(6)(c) of the Companies Act 1976, the following statement should be completed:

‡delete as
appropriate

The company is a [subsidiary] ~~holding company~~ of ISIS GROUP PLC, company number 152509the accounting reference date of which is 31 MARCH

§delete as
appropriate

Signed

[Director] [Secretary] §Date 28 JANUARY 1985

Presenter's name, address and
reference (if any):

I R BOLLOW
c/o ISIS GROUP PLC
STRATTON ROAD
MARSHGATE
SWINDON
WILTS

For official use

General section

Post room



Printed and supplied by:-

Jordan & Sons Limited Company Formation and Information Services, Stationers and Publishers
Jordan House, 47 Brunswick Place, London N1 6EE. Telephone: 01-253 3030 Telex: 261010

No. 1786119 / 22

THE COMPANIES ACT 1985

A PUBLIC COMPANY LIMITED BY SHARES

SPECIAL AND ORDINARY RESOLUTIONS

- of -

ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

(PASSED 4th July 1985)

At the first Annual General Meeting of the above-named Company duly convened and held at Ettington Park, Alderminster, Near Stratford-upon-Avon, Warwickshire CV37 8BS on 4th July 1985 the following resolutions were duly passed, in the case of resolution 1, as an Ordinary Resolution, and, in the case of resolutions 2 and 3, as Special Resolutions:-

RESOLUTIONS

1. THAT the authorised share capital of the Company be increased to £5,000,000 divided into 5,000,000 ordinary shares of £1 each by the creation of an additional 3,500,000 ordinary shares of £1 each ranking pari passu in all respects with the existing ordinary shares of £1 each in the capital of the Company
2. THAT the Directors be and they are hereby generally and unconditionally authorised to allot up to 3,500,000 ordinary shares of £1 each in the capital of the Company before 4th July 1986 (on which date this authority shall expire) and that the



Directors shall have the power to exercise the authority hereby conferred upon them to allot such shares to such persons and on such conditions as they may in their discretion determine as if Section 17(1) Companies Act 1980 did not apply thereto. This authority is additional to the authority conferred by Article 4 of the Company's Articles of Association

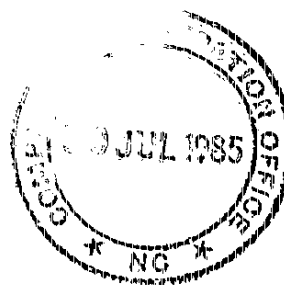
- ✓ 3. THAT the name of the Company be changed to Ettington Park Group plc


Director



No. 1786119

THE COMPANIES ACT 1985



A PUBLIC COMPANY LIMITED BY SHARES

SPECIAL AND ORDINARY RESOLUTIONS

- of -

ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

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L80 P/2
N/W 023297



Directors shall have the power to exercise the authority hereby conferred upon them to allot such shares to such persons and on such conditions as they may in their discretion determine as if Section 17(1) Companies Act 1980 did not apply thereto. This authority is additional to the authority conferred by Article 4 of the Company's Articles of Association

3. THAT the name of the Company be changed to Ettington Park Group plc


Director



FILE COPY



CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

No. 1786119

27

I hereby certify that

ETTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

having by special resolution changed its name, is now
incorporated under the name of
ETTINGTON PARK GROUP PLC

Given under my hand at the Companies Registration Office,
Cardiff the 16TH SEPTEMBER 1985

A handwritten signature in dark ink, appearing to read 'P. C. Coates'.

P. C. COATES

an authorised officer

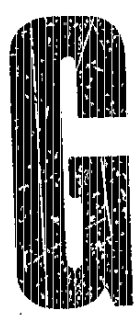
for filed Done 24

10

THE COMPANIES ACTS 1948 TO 1976

Notice of increase in nominal capital

Pursuant to section 63 of the Companies Act 1948



Please do not write in this binding margin



Please complete legibly, preferably in black type, or bold block lettering

*delete if inappropriate

+delete as appropriate

Note

This notice and a printed copy of the resolution authorising the increase must be forwarded to the Registrar of Companies within 15 days after the passing of the resolution

To the Registrar of Companies

For official use Company number
23 1786119

Name of Company

ENTINGTON PARK HOTEL PUBLIC LIMITED COMPANY

hereby gives you notice in accordance with section 63 of the Companies Act 1948 that by [ordinary] resolution of the company dated 4th July 1984

the nominal capital of the company has been increased by the addition thereto of the sum of £ 3,500,000 beyond the registered capital of £ 1,500,000

A printed copy of the resolution authorising the increase is forwarded herewith
The additional capital is divided as follows:

Number of shares	Class of share	Nominal amount of each share
3,500,00	Ordinary	£1

(If any of the new shares are preference shares state whether they are redeemable or not)
The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follows:

The new shares rank pari passu in all respects with the Ordinary Shares of the Company previously in issue.

Please tick here if continued overleaf

☐

+delete as appropriate

Signed

[Signature]

[Director] [Secretary] Date 8 August 1985

Presentor's name, address and reference (if any):

Biddle & Co
1 Gresham Street
LONDON EC2V 7BU
Ref: QO

For official use
General section

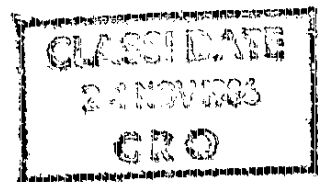
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1786119



30/11



DEPARTMENT OF TRADE AND INDUSTRY

30

COMPANIES ACT 1985 SECTION 242, paragraph 6

The Secretary of State in exercise of his powers under Section 242 paragraph 6 of the Companies Act 1985 extends by one month the period allowed for laying and delivering accounts of ETTINGTON PARK GROUP PLC in relation to the accounting reference period ending 31 MARCH 1986. It follows that the date on which the said period will now expire is 30 NOVEMBER 1986.

Dated 31 October 1986

Alan Gardiner

On behalf of the
Secretary of State
for Trade and Industry

1786 119



31

COMPANIES ACT 1985 SECTION 242, paragraph 6

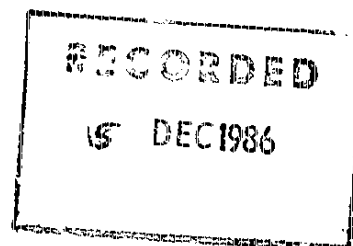
The Secretary of State in exercise of his powers under Section 242 paragraph 6 of the Companies Act 1985 extends by two months the period allowed for laying and delivering accounts of ETTINGTON PARK GROUP PLC in relation to the accounting reference period ending 31 March 1986. It follows that the date on which the said period will now expire is 31 January 1987.

Dated

20 NOV 1986

Adalke

On behalf of the
Secretary of State
for Trade and Industry



G

COMPANIES FORM No. 122

122**Notice of consolidation, division,
sub-division, redemption or
cancellation of shares, or conversion,
re-conversion of stock into shares**Please do not
write in
this margin

Pursuant to section 122 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

[13 IX]

1786119

Name of company

*

ETTINGTON PARK GROUP PLC

* Insert full name
of company

gives notice that:

By an Ordinary Resolution of the Company passed on 23rd February 1987:-

- (a) the 1,063,333 issued Ordinary Shares of £1 each of the Company and 2,936,667 of the unissued Ordinary Shares of £1 each were converted into 4,000,000 "A" Ordinary Shares of £1 each;
- (b) 500,000 of the unissued Ordinary Shares of £1 each of the Company were converted and sub-divided into 666,666 "B" Ordinary Shares of £1 each; and
- (c) 500,000 of the unissued Ordinary Shares of £1 each of the Company were converted into 500,000 Cumulative Redeemable Non-Participating Preference Shares of £1 each.

† delete as
appropriate

Signed

[Director][Secretary]† Date 23rd February 1987

Presenter's name address and
reference (if any):Biddle & Co
1 Gresham Street
LONDON EC2V 7BU

Ref: QO

Tel: 01-606 9301

For official Use
General Section

Post room



514
No. 1786119

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

- of -

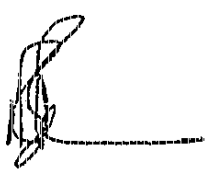
ETTINGTON PARK GROUP PLC

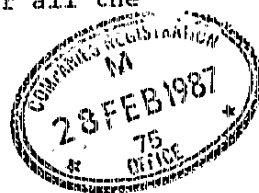
(PASSED 23rd February 1987)

At an Extraordinary General Meeting of the above-named Company duly convened and held at Ettington Park Hotel, Alderminster, near Stratford-upon-Avon, Warwickshire CV37 8BS on 23rd February 1987 the following resolution was duly passed as a special resolution:-

RESOLUTION

THAT the regulations contained in the document laid before the meeting and for the purpose of identification signed by the Chairman thereof be and the same are hereby adopted as the Articles of Association of the Company to the exclusion of and in substitution for all the existing Articles of Association.


Secretary



The Companies Act 1985

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ETTINGTON PARK GROUP plc

(adopted by Special Resolution passed 23 February 1987)

PRELIMINARY

1. The regulations in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 shall not apply to the Company.

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

WORDS	MEANINGS
the Act	the Companies Act 1985 or any statutory re-enactment or modification thereof for the time being in force; and any reference to any section or provision of the Act shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
the Auditors	the auditors for the time being of the Company.
these Articles	these Articles of Association as from time to time altered by Special Resolution.
the Board	the Directors or any of them acting as the Board of Directors of the Company.
the Office	the Registered Office of the Company.
the Seal	the Common Seal of the Company.
the Register	the Register of Members of the Company.
the United Kingdom	Great Britain and Northern Ireland.
A Ordinary Shares	A ordinary shares of £1 each of the Company.
B Ordinary Shares	B ordinary shares of 75 pence each of the Company.
Ordinary Shares	A Ordinary Shares and B Ordinary Shares.



Preference Shares	cumulative redeemable non-participating preference shares of £1 each of the Company.
paid	paid or credited as paid.
dividend	dividend or bonus.
month	calendar month.
in writing	written, or produced by any visible substitute for writing, or partly one and partly another.

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

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

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

SHARE CAPITAL

3. The share capital of the Company at the date of the adoption of these Articles is £5,000,000 divided into 4,000,000 A Ordinary Shares, 666,666 B Ordinary Shares and 500,000 Preference Shares.

ISSUE OF NEW SHARES

4. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine.

(2) For the purposes of Section 80 of the Act, the Board is generally and unconditionally authorised to allot the shares specified in Article 3 which are for the time being unissued. This authority shall expire five years from the date on which the resolution adopting these Articles is passed, but the Company in General Meeting may by Special Resolution revoke or from time to time vary or renew this authority, whether in its original or in any previously varied or renewed form, provided that the period of any such renewal shall not exceed five years. The Company may make any offer or arrangement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Board may allot relevant securities in pursuance of any such offer or agreement. In this paragraph, references to the allotment of relevant securities shall be construed in accordance with Section 80 of the Act.

(3) The Board is empowered pursuant to Section 95 of the Act to allot equity securities pursuant to the authority contained in paragraph (2) of this Article as if Section 89(1) of the Act did not apply to any such allotment.

(4) Subject to paragraphs (2) and (3) of this Article and to the Act, the Board may allot, issue or grant options over any shares for the time being unissued, and may

determine the rights to be attached thereto and the terms upon which they may be allotted or issued, unless the Company in General Meeting shall otherwise resolve.

VARIATION OF RIGHTS

5. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise). All the provisions of these Articles relating to General Meetings shall, mutatis mutandis, apply to every such separate General Meeting, 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 or, at any adjourned meeting of such holders, those Members who are present in person or by proxy, whatever their holdings, and except that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

6. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

THE B ORDINARY SHARES - SPECIAL RIGHTS

7. The B Ordinary Shares shall rank as to dividend and as to voting as if the amount paid up on each B Ordinary Share is one pound.

8. Without prejudice to any other provisions of these Articles any of the following shall be deemed to be a variation or abrogation of the rights attached to the B Ordinary Shares:-

- (i) the issue by the Company of any share capital or the grant by the Company of any rights to subscribe for or to convert shares or other securities into share capital ranking in any respect in priority to or *pari passu* with the Ordinary Shares as regards participation in the profits or assets of the Company;
- (ii) any reduction or payment of all or any part of the capital paid up or credited as paid up on any share in the capital of the Company for the time being in issue or of any uncalled liability in respect thereof (except a repayment in the course of the winding up of the Company or of the share premium account or the capital redemption reserve);
- (iii) redemption or purchase by the Company of any of its own shares;
- (iv) the application by way of capitalisation of any profits or reserves (including share premium account and capital redemption reserve) in or towards paying up any share capital (whether issued or unissued) or any debenture (whether secured or unsecured);
- (v) any modification or variation of the rights attached to the Ordinary Shares;

- (vi) any alteration of the Memorandum of Association of the Company;
- (vii) any resolution to wind up the Company.

THE PREFERENCE SHARES - RIGHTS AND RESTRICTIONS

9. The Preference Shares shall have the following rights and be subject to the following restrictions:-

(A) As regards income

The Preference Shares shall confer on the holders thereof in priority to any rights of the holders of any other shares in the capital of the Company to any payment of dividend the right to a fixed Cumulative Preferential Dividend at the rates set out below (exclusive of any related tax credit) on the capital for the time being paid up thereon to be paid to the extent that there are profits available for distribution by two equal instalments on 1 July and 1 January in each year in arrears the first such payment to be made (subject as aforesaid) on 1 January 1988 in respect of the immediately preceding six months. The right to such dividend shall accrue from day to day.

<u>Applicable Period</u>	<u>Rate of Interest</u>
to 31 December 1987	4%
1 January 1988 to 31 December 1988	6%
1 January 1989 to 31 December 1989	8%
1 January 1990 to 31 December 1990 and thereafter	10%

(B) As regards redemption

The Preference Shares shall be redeemable and redeemed upon and subject to the following terms and conditions:-

- (a) The Company shall have the option at any time after 31 December 1990 to redeem at par the whole of the Preference Shares for the time being issued and outstanding by five equal annual instalments to be paid on 31 December of each year the first such instalment to be paid on 31 December of the year in which notice of redemption is given. Such right shall be exercisable subject to the provisions of the Act.
- (b) The holder of any Preference Shares shall have the option at any time after 31 December 1990 to require the Company to redeem at par the whole of the Preference Shares for the time being held by such holder by five equal instalments to be paid on 31 December of each year the first such instalment to be paid on 31 December of the year in which notice requiring the Company to redeem such Preference Shares given. Such right shall be exercisable subject to the provisions of the Act.
- (c) In the event that the Company wishes to redeem any Preference Shares as aforesaid notice of its intention so to redeem shall be given by the Company to the holder of the Preference Shares to be redeemed. The notice shall be in writing and specify the time and place for such redemption. At the time and place so specified for the payment of each

instalment the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificates thereof for endorsement (and in the case of the fifth instalment for cancellation) and thereupon the Company shall pay to him the relevant instalment of the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.

- (d) In the event that the holder of any Preference Shares wishes to require the Company to redeem any Preference Shares as aforesaid notice in writing requiring the Company to do so shall be given by the holder to the Company specifying the Preference Shares to be redeemed. Upon receipt of the said notice the Company shall give a counter-notice specifying the time and place for such redemption. At the time and place so specified for the payment of each instalment the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificates thereof for endorsement (and in the case of the fifth instalment for cancellation) and thereupon the Company shall pay to him the relevant instalment of the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.
- (e) Notwithstanding the foregoing provisions both the Company shall have the right to redeem at par the whole of the Preference Shares for the time being issued and outstanding and the holder of any Preference Shares shall have the right to require the Company to redeem at par all the Preference Shares held by him in each case by a single payment at any time after the occurrence of one of the following:-
 - (i) the obtaining of a dealing facility listing or quotation in respect of the Ordinary Shares on a recognised stock exchange or
 - (ii) control of the Company (within the meaning of Section 534 of The Income and Corporation Taxes Act 1970) is acquired by any person or
 - (iii) agreement in writing between the Company and the holder of any Preference Shares that such Preference Shares forthwith be redeemed.

Such rights shall be exercisable subject to the provisions of the Act. In the event that the Company wishes to redeem such Preference Shares as aforesaid notice of its intention to redeem shall be given by the Company to the holders of the Preference Shares to be redeemed. The notice shall be in writing and shall specify the time and place for such redemption. At the time and place so specified the registered holders of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificate thereof for cancellation and thereupon the Company shall pay to them the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption. In the event that the holder of any Preference Shares wishes to require the Company to redeem such Preference Shares as aforesaid notice in writing requiring the Company to do so shall be given by the holder to the Company specifying the Preference Shares to be redeemed.

Upon receipt of the said notice the Company shall give a counter-notice specifying the time and place for such redemption. At the time and place so specified the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificate thereof for cancellation and thereupon the Company shall pay to them the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.

- (f) The said fixed dividends on each of the Preference Shares becoming liable to redemption under the foregoing provisions shall cease to accrue as from the due date for redemption thereof unless upon the holder demanding on or after the date and at the place fixed for redemption payment of the redemption monies payable in respect thereof and tendering the certificate for such Preference Shares and a receipt for the redemption monies duly signed and authenticated in such manner as the directors may reasonably require payment of the redemption monies shall have been refused.

(C) As regards further participation

The Preference Shares shall not entitle the holders thereof to participate in the profits or assets of the Company beyond such rights as are expressly set forth in this Article.

(D) As regards voting

In this paragraph (D) "Relevant Rights" means the right to receive notice of and either to attend and vote in person or by proxy at any general meeting of the Company or to vote by way of written resolution. The Preference Shares shall not confer on the holders thereof the Relevant Rights unless:-

- (a) at the date when the notice of a general meeting is sent out any dividend payable thereon shall have remained unpaid for seven days after the due date of payment thereof in which event the Preference Shares shall confer on the holders thereof the Relevant Rights in respect of that general meeting; or
- (b) a Resolution is to be proposed to the general meeting for winding up the Company or which directly affects the rights or privileges of the holders of the Preference Shares in which event the Preference Shares shall confer on the holders thereof the Relevant Rights in respect of that general meeting but restricted to the extent that such holders may not vote upon any business dealt with at such general meeting except the election of the Chairman, the said Resolution and any motion for adjournment of the said Resolution.

RETURN OF CAPITAL

10. On return of capital or otherwise the assets of the Company available for distribution amongst the members shall be applied in the following order:-

- (a) First, in repaying the holders of each Preference Share the amount paid up (including any premium) or credited as paid up thereon; in the sum equal to any arrears or accruals of the fixed dividends on the Preference Shares held by them

whether or not declared or earned calculated down to the date of the return of the capital.

- (b) Second, in repaying to the holders of each Ordinary Share the amount paid up (including any premium) or credited as paid up thereon.
- (c) Third, in paying the balance of such assets to and amongst the holders of the Ordinary Shares in the proportions of £1 for every £1 paid up on the A Ordinary Shares and of £1 for every 75p paid up on the B Ordinary Shares.

SHARES

11. Subject to the provisions of Sections 97 and 98 of the Act, the Company may pay such commission as is referred to in those Sections. Such commission may be satisfied by the payment of cash, deductions from subscription moneys received or the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

12. If any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions contained in the Act, pay interest on so much of such share capital as is for the time being paid up, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of the plant.

13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

14. Subject to the provisions of the Act:-

- (a) any shares may with the sanction of a special resolution of the Company, be issued on terms that they are, or at the option of the Company or of the holders of such shares are liable, to be redeemed;
- (b) the Company may purchase any of its own shares.

15. Unless permitted by the Act:-

- (a) no part of the funds of the Company shall be employed in loans upon the security of shares in the Company;
- (b) the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription of or for any shares in the Company or its holding company (if any);
- (c) the Company shall not make or guarantee, or provide any security in connection with, a loan to any Director or to any director of its holding company (if any);

- (d) the Company shall not be a member of a company which is its holding company.

CERTIFICATES

16.(1) Every person whose name is entered as a Member in the Register shall be entitled without payment to receive one certificate in respect of each class of shares held by him, or, with the consent of the Board and upon payment of such sum (if any) for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a Member has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.

(2) Every certificate shall specify the shares to which it relates, and the amount paid up thereon. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held, and delivery of a certificate for a share to one of several joint holders shall be deemed sufficient delivery to all.

17. If a share certificate is worn out, defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security as the Board requires. In the case of loss or destruction the person to whom the new certificate is issued shall pay to the Company all expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

CALLS ON SHARES

18. (1) Subject to any terms upon which any shares may have been issued and subject to paragraph (4) of this Article the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share shall exceed one-fourth of the nominal amount of the share or be payable within one month from the date fixed for the payment of the last preceding call and that at least one month's notice shall be given of every call specifying the time or times and place of payment. A call may be revoked or the time fixed for its payment postponed by the Board.

(2) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be made payable by instalments.

(3) The Board may not differentiate between the holders as to the amount of calls to be paid and the times of payment.

(4) With the unanimous consent of the holders of shares on which any monies remain unpaid the Board may make calls otherwise than as provided for in this Article.

19.(1) Each Member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(2) If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the day fixed for payment to the time of actual payment at such rate,

(2) The notice shall fix a further day (not being less than seven days from the date 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 at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

25. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

26. A forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit; and at any time before sale, re-allotment or disposal, the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.

27. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate not exceeding 10 per cent. per annum as the Board shall think fit from the date of forfeiture until payment; but his liability shall cease if and when the Company shall have received payment in full of all moneys in respect of the shares.

28. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

29. A statutory declaration in writing that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After the person to whom the share is sold, re-allotted or disposed of shall have been registered as the holder thereof, his title to the share shall not 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

30. All transfers of shares shall be effected by instrument in writing in any form authorised by the Stock Transfer Act 1963 or in such other form as the Board may approve. The instruments of transfer shall be retained by the Company.

31. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

32. The Board may, in its absolute discretion, refuse to register any instrument of transfer of, or which includes, shares which are not fully paid, but shall not be bound to specify the grounds upon which such registration is refused.

33. The Board may also refuse to register any instrument of transfer of shares, if:-

- (a) it is not accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) it is of shares of more than one class; or
- (c) in the case of a transfer to joint holders, the holders exceed four in number; or
- (d) it is a transfer the registration of which in the reasonable opinion of the Board would cause any person (whether or not through or together with a nominee or nominees) to be able to control the Company within the meaning of Section 302 (2) of the Income and Corporation Taxes Act 1970.

34. If the Board refuses to register a transfer, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

35. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES

36. In the case of the death of a Member, the survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his share; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons.

37. (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be properly required by the Board and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof.

(2) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of the share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by that member.

38. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall subject to the requirement of Article 121 be entitled to receive, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or to any of the rights or privileges of a Member until he shall have become a Member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or

to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF SHARES

39. 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 and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the Members in respect of whose shares the fractions arise;
- (b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Act;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

INCREASE OF CAPITAL

40. The Company may by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe.

REDUCTION OF CAPITAL

41. Subject to the provisions of the Act, the Company may by Special Resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any way.

MEETINGS OF MEMBERS CONVENING OF GENERAL MEETINGS

42. The Company shall hold a General Meeting as its Annual General Meeting in any calendar year in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

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

44. The Board may call an Extraordinary General Meeting whenever it thinks fit, and, on the requisition of Members in accordance with the Act, it shall forthwith convene an Extraordinary General Meeting. Whenever the Board shall convene an Extraordinary General Meeting on the requisition of Members, it shall convene such meeting for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom

sufficient Directors capable of acting to form a quorum, any Director or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

45. Fourteen clear days' notice at the least or, in the case of an Annual General Meeting or a meeting convened to pass a Special Resolution, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given in manner provided by these Articles to such Members as are, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Auditors.

46. Every notice of meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of such business. Every notice convening an Annual General Meeting shall specify the meeting as such and every notice convening a meeting to pass a Special or Extraordinary Resolution shall also specify the intention to propose the resolution as a Special or Extraordinary Resolution, as the case may be. Every notice of meeting shall state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote thereat instead of him and that a proxy need not be a Member.

47. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

48. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and Auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the appointment or re-appointment of, and the fixing of the remuneration of, the Auditors.

49. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 61.

50. If within fifteen minutes from the time fixed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day and to such time, and place, as may be fixed by the Chairman of the meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the Members present in person or by proxy shall be a quorum.

51. The chairman of the Board or in his absence the deputy chairman shall preside as Chairman at every General Meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of themselves to be chairman of the Meeting.

52. The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or for an indefinite period, notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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

- (a) by the chairman of the meeting; or
- (b) by at least two Members present in person or by proxy or (being a corporation) present by a representative and entitled to vote; or
- (c) by any Member or Members present in person or by proxy or (being a corporation) present by a representative and representing not less than one-tenth of the total voting rights on a poll of all the Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or by proxy or (being a corporation) present by a representative 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.

Unless a poll is so demanded, 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 the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

54. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

55. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting; but, if a demand is

withdrawn, the chairman of the meeting or other Members entitled may himself or themselves demand a poll.

56. 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 further or casting vote in addition to the votes to which he may be entitled as a Member or as a representative or proxy of a Member.

VOTES OF MEMBERS

57. Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held and (without prejudice to the generality of the foregoing) subject to Article 7 and Article 9, every Member present in person shall have one vote on a show of hands, and on a poll every Member shall have one vote for every £1 nominal amount of equity share capital of which he is the holder: Provided that, unless the Directors otherwise determine and subject to the Act, no member shall 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 he or any person appearing to be interested in shares held by him has been served with a notice under Section 212 of the Act and he or any such person is in default in supplying to the Company the information thereby requested within twenty-eight days from such service.

58. On a poll votes may be given in person or by proxy.

59. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

60. 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.

61. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any General Meeting, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

62. A Member incapable by reason of mental disorder of managing and administering his property and affairs, may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any Court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy.

63. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

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

65. Proxy forms shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and such proxy forms shall provide for

two-way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting or to the remuneration of the Auditors. The instrument of proxy shall be in writing under the hand of the appointor or his attorney, or, if such appointor be a corporation, under its common seal, or the hand of a duly authorised officer or attorney, but the execution of such instrument need not be attested.

66. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority, shall be deposited at the Office (or at such other place as shall be specified in the notice of meeting or any proxy form or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than forty-eight hours before the time appointed for taking the poll; unless so deposited the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.

67. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal, or revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the Office (or other place referred to in the preceding Article) before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

DIRECTORS NUMBER APPOINTMENT AND RETIREMENT OF DIRECTORS

68. Subject to any Ordinary Resolution of the Company, the Directors shall not be less than three in number. There is no maximum number of Directors.

69. Directors shall not require a share qualification.

70. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall retire from office at the next following Annual General Meeting, and shall then be eligible for re-appointment.

71. The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a General Meeting of the Company, but not for any other purpose.

72. Except as otherwise authorised by the Act, the appointment of any person proposed as a Director shall be effected by a separate resolution.

73. At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office PROVIDED THAT any Director nominated by Select Country Hotels Limited or Granville & Co Limited shall not be required to retire by rotation.

74. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

75. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the Retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

76. No person other than a Director retiring at a meeting shall, unless recommended by the Directors, be appointed a Director at any general meeting unless, not less than seven nor more than forty-eight days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed.

REMUNERATION OF DIRECTORS

77. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company may from time to time by Ordinary Resolution determine. Such remuneration shall be divided among them in such proportion and manner as the Directors may determine. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or General Meetings, or which they may otherwise properly incur in or about the business of the Company.

78. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

POWERS OF DIRECTORS

79. The business of the Company shall be managed by the Board, and the Board may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

80. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.

81. The Board may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such directors or employees.

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

83. The Board may from time to time make and vary such regulations as it thinks fit respecting the keeping of Dominion Registers of Members pursuant to the Act.

BORROWING

84.(1) Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (being the Company and its subsidiaries for the time being or any of such companies) (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of a Special Resolution of the Company exceed an amount equal to twice the aggregate of:-

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated capital and revenue reserves of the Company and its subsidiaries (including retained earnings and amounts set aside for tax equalisation);

all as shown in the latest audited and consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of:-

- (a) any variation in the amount paid up on the issued share capital of the Company and in the share premium account since the date of such balance sheet;
- (b) any distribution from such reserves (otherwise than to the Company or to a subsidiary) not provided for therein;
- (c) the exclusion of any sums set aside for future taxation (other than tax equalisation); and
- (d) the deduction of any debit balance on profit and loss account as shown in such balance sheet.

(3) For the purposes of these Articles the expression "Moneys borrowed" shall include the principal amount (together with any fixed or minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:-

- (a) amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied);
- (b) moneys borrowed by a partly owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.

(4) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual 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 limit hereby imposed had been or would thereby be exceeded.

MANAGING AND EXECUTIVE DIRECTORS

85. The Board may from time to time:-

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

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

86. A Director appointed to the office of Managing Director shall (subject to the provision of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall ipso facto cease to be Managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser).

87. An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.

88. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other

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

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

ALTERNATE DIRECTORS

90.(1) Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by a resolution of the Board, and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.

(2) The appointment of an alternate Director shall automatically determine in any of the following events:-

- (a) if his appointor shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- (c) if by writing under his hand left at the Office he shall resign such appointment;
- (d) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.

(3) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform all functions as a Director of his appointor in his absence.

(4) An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

(5) An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.

(6) Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall take effect (subject to any approval required by paragraph (1) of this Article) upon receipt of such written appointment or removal at the Office or by the Secretary.

(7) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

PROCEEDINGS OF THE BOARD

91. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.

92. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three. A Director or any other person who is present at a meeting of the Board as an alternate Director shall only be counted as two or more for quorum purposes if at least one other Director or duly appointed alternate Director is also present thereat.

93. The Board may appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, the Directors present may choose one of their number to act as chairman of such meeting.

94. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) shall be as valid and effective as a resolution passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of such Directors. In the absence of a Director the signature of an alternate Director (if any) appointed by him shall be necessary.

95. The Board may delegate any of its power to committees consisting of such member or members of its body as it thinks fit with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the proceedings and meetings of the Board.

96. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

MINUTES

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

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of the Board.

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

DISQUALIFICATION OF DIRECTORS

98.(1) The office of a Director shall be vacated in any of the following events, namely:-

- (a) if (not being a Managing Director holding office as such for a fixed term) he resigns his office by notice in writing to the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) if he is absent from meetings of the Board for six months without leave, expressed by a resolution of the Board, and his alternate Director, (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (e) if pursuant to any provision of the Act he is removed or prohibited from being a Director

(2) There shall not be any age limit for Directors and sub-sections (1) to (6) of Section 293 of the Act shall not apply to the Company.

99.(1) No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement in which any Director shall be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by him from such contract or arrangement by reason of such Director holding that office or the fiduciary relation thereby established. A Director so interested in any contract or arrangement shall declare the nature of his interest in accordance with the provisions of the Act.

(2) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or

other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) without prejudice to the generality of (d) above, any proposal concerning Isis Group plc or any of its subsidiaries or concerning Select Country Hotels Limited ("Select"), any holding company of Select or any other subsidiary of Select's holding company;
- (f) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.

(4) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (3) (d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(5) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

(6) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

100. (1) A Director may be or become a director or other officer of any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise, and no such Director shall (unless otherwise agreed) be accountable for any benefits received as director or other officer of such company.

(2) The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

(3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

REMOVAL OF DIRECTORS

101. The Company may, pursuant and subject to the provisions of Sections 303 and 304 of the Act, by Ordinary Resolution remove any Director (including a Managing Director) before the expiration of his period of office.

SECRETARY

102. Subject to the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

103. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

104. (1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board and, subject to the provisions of this Article, every instrument to which the Seal shall be affixed shall be signed by at least two Directors or by one Director and the Secretary or some other person appointed by the Board for the purpose.

(2) All forms of certificates for shares, or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the Seal in manner above provided; but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.

105. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

ACCOUNTING RECORDS AND DIVIDENDS BOOKS AND REGISTERS

106. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Act.

107. The accounting records shall be kept at the Office or (subject to the provisions of the Act) at such other place in Great Britain as the Board thinks fit, and shall at all times be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Act or authorised by the Board or by an Ordinary Resolution of the Company.

108. The Board shall in accordance with the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Act.

109. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall, at least twenty-one days previously to the meeting, be delivered or sent by post to every Member and to every debenture holder of the Company of whose address the Company is aware, or, in the case of joint holders of any share or debenture, to one of the joint holders.

AUDIT

110. Auditors of the Company shall be appointed and their duties regulated in accordance with the Act.

111. The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before the Company in General Meeting and shall be open to inspection by any Member; and in accordance with the Act every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

DIVIDENDS AND RESERVES

112. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

113. No dividend or interim dividend shall be payable except as permitted by the Act.

114. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid on the share.

115. Subject to Article 7 all dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share

is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

116. Any General Meeting declaring a dividend may upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of fully paid shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the Members entitled to the dividend, as may seem expedient to the Board.

117. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course.

118. The Board shall transfer to share premium account as required by the Act sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

119. The Board may deduct from any dividend payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.

120. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by Ordinary Resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

121. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a Member in respect of such shares.

122. No dividend or other moneys payable in respect of a share shall bear interest against the Company. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

123. Any dividend may be paid by cheque or warrant sent through the post to the address in the Register of the Member or person entitled thereto, and in case of joint holders to any one of such joint holders, or to such person and to such other address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the Member's risk, and payment of the cheque or warrant shall be a good discharge to the Company.

124. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any moneys payable in respect of the share.

CAPITALISATION OF PROFITS

125.(1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the Members holding Ordinary Shares on the record date specified in the relevant resolution who would have been entitled thereto if distributed by way of dividend and in the same proportions.

(2) Subject to any direction given by the Company, the Board shall make all appropriations and applications of the profits resolved to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the Members entitled thereto either:-

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively; or
- (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such Members in the proportion aforesaid;

or partly in one way and partly in the other; provided that the only purpose to which sums standing to capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

(3) The Board shall have power after the passing of any such resolution:-

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing (as the case may require) either:-
 - (i) for the payment up by the Company on behalf of such Members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
 - (ii) for the allotment to such Members respectively, credited as fully paid up, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation;

and any agreement made under such authority shall be effective and binding on all such Members.

(4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any

Convertible Preference shares or other shares issued on special conditions and shall include:-

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve fund or to share premium or other special account.

NOTICES

126. Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his address in the Register. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

127. Any Member whose address in the Register is not within the United Kingdom, who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address; but, save as aforesaid, no Member other than a Member whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company.

128. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is posted (by whatever class of post). In proving such service it shall be sufficient to prove that the letter containing the notice of document was properly addressed, stamped and posted.

129. Any notice or document sent by post to, or left at the address in the Register of, any Member in pursuance of these Articles shall, notwithstanding such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as holder or joint holder thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such share.

130. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered in the Register, shall have been duly given to the person from whom he derives his title to such share.

WINDING UP

131. If the Company shall be wound up, the Liquidator may with the sanction of an Extraordinary Resolution, divide amongst the Members in specie the whole or any part of the assets of the Company in such manner as he shall think fair, and may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.

132. The power of sale of a Liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.

INDEMNITY

133. The Directors, alternate Directors, Auditors, Secretary and other officers of the Company shall be indemnified out of its assets against all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under Section 727 of the Act in which relief is granted to them by the Court.

SCHEDULE TWO

The Companies Act 1985

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ETTINGTON PARK GROUP plc

(adopted by Special Resolution dated [] February 1987)

PRELIMINARY

1. The regulations in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 shall not apply to the Company.
2. In these Articles, if not inconsistent with the context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column.

WORDS	MEANINGS
the Act	the Companies Act 1985 or any statutory re-enactment or modification thereof for the time being in force; and any reference to any section or provision of the Act shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
the Auditors	the auditors for the time being of the Company.
these Articles	these Articles of Association as from time to time altered by Special Resolution.
the Board	the Directors or any of them acting as the Board of Directors of the Company.
the Office	the Registered Office of the Company.
the Seal	the Common Seal of the Company.
the Register	the Register of Members of the Company.
the United Kingdom	Great Britain and Northern Ireland.

A Ordinary Shares	A ordinary shares of £1 each of the Company.
B Ordinary Shares	B ordinary shares of 75 pence each of the Company.
Ordinary Shares	A Ordinary Shares and B Ordinary Shares.
Preference Shares	cumulative redeemable non-participating preference shares of £1 each of the Company.
paid	paid or credited as paid.
dividend	dividend or bonus.
month	calendar month.
in writing	written, or produced by any visible substitute for writing, or partly one and partly another.

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

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

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

SHARE CAPITAL

3. The share capital of the Company at the date of the adoption of these Articles is £5,000,000 divided into 4,000,000 A Ordinary Shares, 666,666 B Ordinary Shares and 500,000 Preference Shares.

ISSUE OF NEW SHARES

4. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine.

(2) For the purposes of Section 80 of the Act, the Board is generally and unconditionally authorised to allot the shares specified in Article 3 which are for the time being unissued. This authority shall expire five years from the date on which the resolution adopting these Articles is passed, but the Company in General Meeting may by Special Resolution revoke or from time to time vary or renew this authority, whether in its original or in any previously varied or renewed form, provided that the period of any such renewal shall not exceed five years. The Company may make any offer or arrangement before the expiry of this authority which would or might require relevant securities to be allotted

after this authority has expired and the Board may allot relevant securities in pursuance of any such offer or agreement. In this paragraph, references to the allotment of relevant securities shall be construed in accordance with Section 80 of the Act.

(3) The Board is empowered pursuant to Section 95 of the Act to allot equity securities pursuant to the authority contained in paragraph (2) of this Article as if Section 89(1) of the Act did not apply to any such allotment.

(4) Subject to paragraphs (2) and (3) of this Article and to the Act, the Board may allot, issue or grant options over any shares for the time being unissued, and may determine the rights to be attached thereto and the terms upon which they may be allotted or issued, unless the Company in General Meeting shall otherwise resolve.

VARIATION OF RIGHTS

5. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise). All the provisions of these Articles relating to General Meetings shall, mutatis mutandis, apply to every such separate General Meeting, 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 or, at any adjourned meeting of such holders, those Members who are present in person or by proxy, whatever their holdings, and except that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

6. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

THE B ORDINARY SHARES - SPECIAL RIGHTS

7. The B Ordinary Shares shall rank as to dividend and as to voting as if the amount paid up on each B Ordinary Share is one pound.

8. Without prejudice to any other provisions of these Articles any of the following shall be deemed to be a variation or abrogation of the rights attached to the B Ordinary Shares:-

- (i) the issue by the Company of any share capital or the grant by the Company of any rights to subscribe for or to convert shares or other securities into share capital ranking in any respect in priority to or *pari passu* with the Ordinary Shares as regards participation in the profits or assets of the Company;

- (ii) any reduction or payment of all or any part of the capital paid up or credited as paid up on any share in the capital of the Company for the time being in issue or of any uncalled liability in respect thereof (except a repayment in the course of the winding up of the Company or of the share premium account or the capital redemption reserve);
- (iii) redemption or purchase by the Company of any of its own shares;
- (iv) the application by way of capitalisation of any profits or reserves (including share premium account and capital redemption reserve) in or towards paying up any share capital (whether issued or unissued) or any debenture (whether secured or unsecured);
- (v) any modification or variation of the rights attached to the Ordinary Shares;
- (vi) any alteration of the Memorandum of Association of the Company;
- (vii) any resolution to wind up the Company.

THE PREFERENCE SHARES - RIGHTS AND RESTRICTIONS

9. The Preference Shares shall have the following rights and be subject to the following restrictions:-

(A) As regards income

The Preference Shares shall confer on the holders thereof in priority to any rights of the holders of any other shares in the capital of the Company to any payment of dividend the right to a fixed Cumulative Preferential Dividend at the rates set out below (exclusive of any related tax credit) on the capital for the time being paid up thereon to be paid to the extent that there are profits available for distribution by two equal instalments on 1 July and 1 January in each year in arrears the first such payment to be made (subject as aforesaid) on 1 January 1988 in respect of the immediately preceding six months. The right to such dividend shall accrue from day to day.

<u>Applicable Period</u>	<u>Rate of Interest</u>
to 31 December 1987	4%
1 January 1988 to 31 December 1988	6%
1 January 1989 to 31 December 1989	8%
1 January 1990 to 31 December 1990 and thereafter	10%

(B) As regards redemption

The Preference Shares shall be redeemable and redeemed upon and subject to the following terms and conditions:-

- (a) The Company shall have the option at any time after 31 December 1990 to redeem at par the whole of the Preference Shares for the time being issued and outstanding by five equal annual instalments to be paid on 31 December of each year the first such instalment to be paid on 31 December of the year in which notice of redemption is given. Such right shall be exercisable subject to the provisions of the Act.
- (b) The holder of any Preference Shares shall have the option at any time after 31 December 1990 to require the Company to redeem at par the whole of the Preference Shares for the time being held by such holder by five equal instalments to be paid on 31 December of each year the first such instalment to be paid on 31 December of the year in which notice requiring the Company to redeem such Preference Shares is given. Such right shall be exercisable subject to the provisions of the Act.
- (c) In the event that the Company wishes to redeem any Preference Shares as aforesaid notice of its intention so to redeem shall be given by the Company to the holder of the Preference Shares to be redeemed. The notice shall be in writing and specify the time and place for such redemption. At the time and place so specified for the payment of each instalment the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificates thereof for endorsement (and in the case of the fifth instalment for cancellation) and thereupon the Company shall pay to him the relevant instalment of the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.
- (d) In the event that the holder of any Preference Shares wishes to require the Company to redeem any Preference Shares as aforesaid notice in writing requiring the Company to do so shall be given by the holder to the Company specifying the Preference Shares to be redeemed. Upon receipt of the said notice the Company shall give a counter-notice specifying the time and place for such redemption. At the time and place so specified for the payment of each instalment the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificates thereof for endorsement (and in the case of the fifth instalment for cancellation) and thereupon the Company shall pay to him the relevant instalment of the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.
- (e) Notwithstanding the foregoing provisions the Company shall have the right to redeem at par the whole of the Preference Shares for the time being issued and outstanding and the holder of any Preference Shares shall have the right to require the Company to redeem at par all the Preference Shares held by him in each case by a single payment at any time after the occurrence of one of the following:-

- (i) the obtaining of a dealing facility listing or quotation in respect of the Ordinary Shares on a recognised stock exchange or
- (ii) control of the Company (within the meaning of Section 534 of The Income and Corporation Taxes Act 1970) is acquired by any person or
- (iii) agreement in writing between the Company and the holder of any Preference Shares that such Preference Shares forthwith be redeemed.

Such rights shall be exercisable subject to the provisions of the Act. In the event that the Company wishes to redeem such Preference Shares as aforesaid notice of its intention to redeem shall be given by the Company to the holders of the Preference Shares to be redeemed. The notice shall be in writing and shall specify the time and place for such redemption. At the time and place so specified the registered holders of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificate thereof for cancellation and thereupon the Company shall pay to them the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption. In the event that the holder of any Preference Shares wishes to require the Company to redeem such Preference Shares as aforesaid notice in writing requiring the Company to do so shall be given by the holder to the Company specifying the Preference Shares to be redeemed. Upon receipt of the said notice the Company shall give a counter-notice specifying the time and place for such redemption. At the time and place so specified the registered holder of the Preference Shares to be redeemed shall be bound to deliver up to the Company the certificate thereof for cancellation and thereupon the Company shall pay to him the redemption monies payable in respect of such Preference Shares together with any arrears or accruals of the said fixed dividends thereon whether or not declared or earned calculated down to the date of redemption.

- (F) The said fixed dividends on each of the Preference Shares becoming liable to redemption under the foregoing provisions shall cease to accrue as from the due date for redemption thereof unless upon the holder demanding on or after the date and at the place fixed for redemption payment of the redemption monies payable in respect thereof and tendering the certificate for such Preference Shares and a receipt for the redemption monies duly signed and authenticated in such manner as the directors may reasonably require payment of the redemption monies shall have been refused.

(C) As regards further participation

The Preference Shares shall not entitle the holders thereof to participate in the profits or assets of the Company beyond such rights as are expressly set forth in this Article.

(D) As regards voting

In this paragraph (D) "Relevant Rights" means the right to receive notice of and either to attend and vote in person or by proxy at any general meeting of the Company or to vote by way of written resolution. The Preference Shares shall not confer on the holders thereof the Relevant Rights unless:-

- (a) at the date when the notice of a general meeting is sent out any dividend payable thereon shall have remained unpaid for seven days after the due date of payment thereof in which event the Preference Shares shall confer on the holders thereof the Relevant Rights in respect of that general meeting; or
- (b) a Resolution is to be proposed to the general meeting for winding up the Company or which directly affects the rights or privileges of the holders of the Preference Shares in which event the Preference Shares shall confer on the holders thereof the Relevant Rights in respect of that general meeting but restricted to the extent that such holders may not vote upon any business dealt with at such general meeting except the election of the Chairman, the said Resolution and any motion for adjournment of the said Resolution.

RETURN OF CAPITAL

10. On return of capital or otherwise the assets of the Company available for distribution amongst the members shall be applied in the following order:-

- (a) First, in repaying the holders of each Preference Share the amount paid up (including any premium) or credited as paid up thereon: in the sum equal to any arrears or accruals of the fixed dividends on the Preference Shares held by them whether or not declared or earned calculated down to the date of the return of the capital.
- (b) Second, in repaying to the holders of each Ordinary Share the amount paid up (including any premium) or credited as paid up thereon.
- (c) Third, in paying the balance of such assets to and amongst the holders of the Ordinary Shares in the proportions of £1 for every £1 paid up on the A Ordinary Shares and of £1 for every 75p paid up on the B Ordinary Shares.

SHARES

11. Subject to the provisions of Sections 97 and 98 of the Act, the Company may pay such commission as is referred to in those Sections. Such commission may be satisfied by the payment of cash, deductions from subscription moneys received or the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

12. If any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the

provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions contained in the Act, pay interest on so much of such share capital as is for the time being paid up, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of the plant.

13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

14. Subject to the provisions of the Act:-

- (a) any shares may with the sanction of a special resolution of the Company, be issued on terms that they are, or at the option of the Company or of the holders of such shares are liable, to be redeemed;
- (b) the Company may purchase any of its own shares.

15. Unless permitted by the Act:-

- (a) no part of the funds of the Company shall be employed in loans upon the security of shares in the Company;
- (b) the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription of or for any shares in the Company or its holding company (if any);
- (c) the Company shall not make or guarantee, or provide any security in connection with, a loan to any Director or to any director of its holding company (if any);
- (d) the Company shall not be a member of a company which is its holding company.

CERTIFICATES

16.(1) Every person whose name is entered as a Member in the Register shall be entitled without payment to receive one certificate in respect of each class of shares held by him, or, with the consent of the Board and upon payment of such sum (if any) for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a Member has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.

(2) Every certificate shall specify the shares to which it relates, and the amount paid up thereon. In the case of a share held jointly by

several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held, and delivery of a certificate for a share to one of several joint holders shall be deemed sufficient delivery to all.

17. If a share certificate is worn out, defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security as the Board requires. In the case of loss or destruction the person to whom the new certificate is issued shall pay to the Company all expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

CALLS ON SHARES

18. (1) Subject to any terms upon which any shares may have been issued and subject to paragraph (4) of this Article the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share shall exceed one-fourth of the nominal amount of the share or be payable within one month from the date fixed for the payment of the last preceding call and that at least one month's notice shall be given of every call specifying the time or times and place of payment. A call may be revoked or the time fixed for its payment postponed by the Board.

(2) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be made payable by instalments.

(3) The Board may not differentiate between the holders as to the amount of calls to be paid and the times of payment.

(4) With the unanimous consent of the holders of shares on which any monies remain unpaid the Board may make calls otherwise than as provided for in this Article.

19. (1) Each Member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(2) If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the day fixed for payment to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board determines; but the Board shall be at liberty to waive payment of such interest wholly or in part.

20. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable. In the case of non-payment all the provisions of these Articles relating to payment of interest and

expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate (if any) as may be agreed upon between the Board and such Member.

LIEN ON SHARES

22. 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 that share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable thereon.

23. (1) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and stating the intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled to the share by reason of death or bankruptcy.

(2) To give effect to any such sale the Board may authorise some person to execute a transfer of the shares sold to the purchaser. The purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(3) The proceeds of sale shall be received by the Company and applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall be paid to the person entitled to the shares at the date of the sale.

FORFEITURE AND SURRENDER OF SHARES

24. (1) If a Member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

(2) The notice shall fix a further day (not being less than seven days from the date 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 at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

25. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

26. A forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit; and at any time before sale, re-allotment or disposal, the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.

27. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate not exceeding 10 per cent. per annum as the Board shall think fit from the date of forfeiture until payment; but his liability shall cease if and when the Company shall have received payment in full of all moneys in respect of the shares.

28. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

29. A statutory declaration in writing that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After the person to whom the share is sold, re-allotted or disposed of shall have been registered as the holder thereof, his title to the share shall not 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

30. All transfers of shares shall be effected by instrument in writing in any form authorised by the Stock Transfer Act 1963 or in such other form as the Board may approve. The instruments of transfer shall be retained by the Company.

31. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

32. The Board may, in its absolute discretion, refuse to register any instrument of transfer of, or which includes, shares which are not

fully paid, but shall not be bound to specify the grounds upon which such registration is refused.

33. The Board may also refuse to register any instrument of transfer of shares, if:-

- (a) it is not accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) it is of shares of more than one class; or
- (c) in the case of a transfer to joint holders, the holders exceed four in number; or
- (d) it is a transfer the registration of which in the reasonable opinion of the Board would cause any person (whether or not through or together with a nominee or nominees) to be able to control the Company within the meaning of Section 302 (2) of the Income and Corporation Taxes Act 1970.

34. If the Board refuses to register a transfer, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

35. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES

36. In the case of the death of a Member, the survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his share; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons.

37. (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be properly required by the Board and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof.

(2) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of the share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the death or bankruptcy of the Member

had not occurred and the notice or transfer were a transfer executed by that member.

38. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall subject to the requirement of Article 121 be entitled to receive, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or to any of the rights or privileges of a Member until he shall have become a Member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF SHARES

39. 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 and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the Members in respect of whose shares the fractions arise;
- (b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Act;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

INCREASE OF CAPITAL

40. The Company may by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe.

REDUCTION OF CAPITAL

41. Subject to the provisions of the Act, the Company may by Special Resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any way.

MEETINGS OF MEMBERS CONVENING OF GENERAL MEETINGS

42. The Company shall hold a General Meeting as its Annual General Meeting in any calendar year in addition to any other meetings in that

year, and shall specify the meeting as such in the notice convening it. Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

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

44. The Board may call an Extraordinary General Meeting whenever it thinks fit, and, on the requisition of Members in accordance with the Act, it shall forthwith convene an Extraordinary General Meeting. Whenever the Board shall convene an Extraordinary General Meeting on the requisition of Members, it shall convene such meeting for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

45. Fourteen clear days' notice at the least or, in the case of an Annual General Meeting or a meeting convened to pass a Special Resolution, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given in manner provided by these Articles to such Members as are, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Auditors.

46. Every notice of meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of such business. Every notice convening an Annual General Meeting shall specify the meeting as such and every notice convening a meeting to pass a Special or Extraordinary Resolution shall also specify the intention to propose the resolution as a Special or Extraordinary Resolution, as the case may be. Every notice of meeting shall state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote thereat instead of him and that a proxy need not be a Member.

47. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

48. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports

of the Directors and Auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the appointment or re-appointment of, and the fixing of the remuneration of, the Auditors.

49. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 61.

50. If within fifteen minutes from the time fixed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day and to such time, and place, as may be fixed by the Chairman of the meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the Members present in person or by proxy shall be a quorum.

51. The chairman of the Board or in his absence the deputy chairman shall preside as Chairman at every General Meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of themselves to be chairman of the Meeting.

52. The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or for an indefinite period, notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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

- (a) by the chairman of the meeting; or
- (b) by at least two Members present in person or by proxy or (being a corporation) present by a representative and entitled to vote; or
- (c) by any Member or Members present in person or by proxy or (being a corporation) present by a representative and representing not less than one-tenth of the total voting rights on a poll of all the Members having the right to vote at the meeting; or

- (d) by a Member or Members present in person or by proxy or (being a corporation) present by a representative 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.

Unless a poll is so demanded, 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 the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

54. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

55. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting; but, if a demand is withdrawn, the chairman of the meeting or other Members entitled may himself or themselves demand a poll.

56. 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 further or casting vote in addition to the votes to which he may be entitled as a Member or as a representative or proxy of a Member.

VOTES OF MEMBERS

57. Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held and (without prejudice to the generality of the foregoing) subject to Article 7 and Article 9, every Member present in person shall have one vote on a show of hands, and on a poll every Member shall have one vote for every £1 nominal amount of equity share capital of which he is the holder: Provided that, unless the Directors otherwise determine and subject to the Act, no member shall 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 he or any person appearing to be interested in shares held by him has been served with a notice under Section 212 of the Act and he or any such person is in default in supplying to the Company the information thereby requested within twenty-eight days from such service.

58. On a poll votes may be given in person or by proxy.

59. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

60. 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.

61. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any General Meeting, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

62. A Member incapable by reason of mental disorder of managing and administering his property and affairs, may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any Court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy.

63. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

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

65. Proxy forms shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and such proxy forms shall provide for two-way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting or to the remuneration of the Auditors. The instrument of proxy shall be in writing under the hand of the appointor or his attorney, or, if such appointor be a corporation, under its common seal, or the hand of a duly authorised officer or attorney, but the execution of such instrument need not be attested.

66. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority, shall be deposited at the Office (or at such other place as shall be specified in the notice of meeting or any proxy form or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than forty-eight hours before the time appointed for taking the poll; unless so deposited the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.

67. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of

the principal, or revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the Office (or other place referred to in the preceding Article) before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

DIRECTORS
NUMBER APPOINTMENT AND RETIREMENT OF DIRECTORS

68. Subject to any Ordinary Resolution of the Company, the Directors shall not be less than three in number. There is no maximum number of Directors.

69. Directors shall not require a share qualification.

70. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall retire from office at the next following Annual General Meeting, and shall then be eligible for re-appointment.

71. The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a General Meeting of the Company, but not for any other purpose.

72. Except as otherwise authorised by the Act, the appointment of any person proposed as a Director shall be effected by a separate resolution.

73. At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office *PROVIDED THAT any Director nominated by Sole or Joint Holders of Shares in the Company shall not be required*

74. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. *to retire by rotation*

75. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the Retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

76. No person other than a Director retiring at a meeting shall, unless recommended by the Directors, be appointed a Director at any general meeting unless, not less than seven nor more than forty-eight days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to

propose that person for appointment together with notice executed by that person of his willingness to be appointed.

REMUNERATION OF DIRECTORS

77. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company may from time to time by Ordinary Resolution determine. Such remuneration shall be divided among them in such proportion and manner as the Directors may determine. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or General Meetings, or which they may otherwise properly incur in or about the business of the Company.

78. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

POWERS OF DIRECTORS

79. The business of the Company shall be managed by the Board, and the Board may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

80. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.

81. The Board may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such directors or employees.

82. The Board may from time to time by power of attorney under the Seal appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney

may contain such provisions for the protection or convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

83. The Board may from time to time make and vary such regulations as it thinks fit respecting the keeping of Dominion Registers of Members pursuant to the Act.

BORROWING

34.(1) Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (being the Company and its subsidiaries for the time being or any of such companies) (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of a Special Resolution of the Company exceed an amount equal to twice the aggregate of:-

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated capital and revenue reserves of the Company and its subsidiaries (including retained earnings and amounts set aside for tax equalisation);

all as shown in the latest audited and consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of:-

- (a) any variation in the amount paid up on the issued share capital of the Company and in the share premium account since the date of such balance sheet;
- (b) any distribution from such reserves (otherwise than to the Company or to a subsidiary) not provided for therein;
- (c) the exclusion of any sums set aside for future taxation (other than tax equalisation); and
- (d) the deduction of any debit balance on profit and loss account as shown in such balance sheet.

(3) For the purposes of these Articles the expression "Moneys borrowed" shall include the principal amount (together with any fixed or

minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:-

- (a) amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied);
 - (b) moneys borrowed by a partly owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.
- (4) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual 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 limit hereby imposed had been or would thereby be exceeded.

MANAGING AND EXECUTIVE DIRECTORS

85. The Board may from time to time:-

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

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

86. A Director appointed to the office of Managing Director shall (subject to the provision of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall ipso facto cease to be Managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser).

87. An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.

88. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board, and may be of

any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

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

ALTERNATE DIRECTORS

90.(1) Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by a resolution of the Board, and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.

(2) The appointment of an alternate Director shall automatically determine in any of the following events:-

- (a) if his appointor shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- (c) if by writing under his hand left at the Office he shall resign such appointment;
- (d) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.

(3) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform all functions as a Director of his appointor in his absence.

(4) An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

(5) An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.

(6) Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall take effect (subject to any approval required by paragraph (1) of this Article) upon receipt of such written appointment or removal at the Office or by the Secretary.

(7) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

PROCEEDINGS OF THE BOARD

91. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.

92. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three. A Director or any other person who is present at a meeting of the Board as an alternate Director shall only be counted as two or more for quorum purposes if at least one other Director or duly appointed alternate Director is also present thereat.

93. The Board may appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, the Directors present may choose one of their number to act as chairman of such meeting.

94. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) shall be as valid and effective as a resolution passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of such Directors. In the absence of a Director the signature of an alternate Director (if any) appointed by him shall be necessary.

95. The Board may delegate any of its power to committees consisting of such member or members of its body as it thinks fit with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the proceedings and meetings of the Board.

96. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

MINUTES

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

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of the Board.

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

DISQUALIFICATION OF DIRECTORS

98.(1) The office of a Director shall be vacated in any of the following events, namely:-

- (a) if (not being a Managing Director holding office as such for a fixed term) he resigns his office by notice in writing to the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) if he is absent from meetings of the Board for six months without leave, expressed by a resolution of the Board, and his alternate Director, (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (e) if pursuant to any provision of the Act he is removed or prohibited from being a Director

(2) There shall not be any age limit for Directors and sub-sections (1) to (6) of Section 293 of the Act shall not apply to the Company.

99.(1) No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement in which any Director shall be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by him from such contract or arrangement by reason of such Director holding that office or the fiduciary relation thereby established. A Director so interested in any contract or arrangement shall declare the nature of his interest in accordance with the provisions of the Act.

(2) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) without prejudice to the generality of (d) above, any proposal concerning Isis Group plc or any of its subsidiaries or concerning Select Country Hotels Limited ("Select"), any holding company of Select or any other subsidiary of Select's holding company;

- (f) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes.

(4) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (3) (d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(5) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

(6) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

100. (1) A Director may be or become a director or other officer of any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise, and no such Director shall (unless otherwise agreed) be accountable for any benefits received as director or other officer of such company.

(2) The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

(3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

REMOVAL OF DIRECTORS

101. The Company may, pursuant and subject to the provisions of Sections 303 and 304 of the Act, by Ordinary Resolution remove any Director (including a Managing Director) before the expiration of his period of office.

SECRETARY

102. Subject to the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

103. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

104.(1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board and, subject to the provisions of this Article, every instrument to which the Seal shall be affixed shall be signed by at least two Directors or by one Director and the Secretary or some other person appointed by the Board for the purpose.

(2) All forms of certificates for shares, or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the Seal in manner above provided; but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.

105. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

ACCOUNTING RECORDS AND DIVIDENDS BOOKS AND REGISTERS

106. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Act.

107. The accounting records shall be kept at the Office or (subject to the provisions of the Act) at such other place in Great Britain as the Board thinks fit, and shall at all times be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Act or authorised by the Board or by an Ordinary Resolution of the Company.

108. The Board shall in accordance with the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Act.

109. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the

Company in General Meeting and of the Directors' and Auditors' reports shall, at least twenty-one days previously to the meeting, be delivered or sent by post to every Member and to every debenture holder of the Company of whose address the Company is aware, or, in the case of joint holders of any share or debenture, to one of the joint holders.

AUDIT

110. Auditors of the Company shall be appointed and their duties regulated in accordance with the Act.

111. The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before the Company in General Meeting and shall be open to inspection by any Member; and in accordance with the Act every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

DIVIDENDS AND RESERVES

112. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

113. No dividend or interim dividend shall be payable except as permitted by the Act.

114. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid on the share.

115. Subject to Article 7 all dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

116. Any General Meeting declaring a dividend may upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of fully paid shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in

trustees, upon trust for the Members entitled to the dividend, as may seem expedient to the Board.

117. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course.

118. The Board shall transfer to share premium account as required by the Act sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

119. The Board may deduct from any dividend payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.

120. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by Ordinary Resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

121. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a Member in respect of such shares.

122. No dividend or other moneys payable in respect of a share shall bear interest against the Company. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

123. Any dividend may be paid by cheque or warrant sent through the post to the address in the Register of the Member or person entitled thereto, and in case of joint holders to any one of such joint holders, or to such person and to such other address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the Member's risk, and payment of the cheque or warrant shall be a good discharge to the Company.

124. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any moneys payable in respect of the share.

CAPITALISATION OF PROFITS

125.(1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the

Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the Members holding Ordinary Shares on the record date specified in the relevant resolution who would have been entitled thereto if distributed by way of dividend and in the same proportions.

(2) Subject to any direction given by the Company, the Board shall make all appropriations and applications of the profits resolved to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the Members entitled thereto either:-

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively; or
- (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such Members in the proportion aforesaid;

or partly in one way and partly in the other; provided that the only purpose to which sums standing to capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

(3) The Board shall have power after the passing of any such resolution:-

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing (as the case may require) either:-
 - (i) for the payment up by the Company on behalf of such Members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
 - (ii) for the allotment to such Members respectively, credited as fully paid up, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation;

and any agreement made under such authority shall be effective and binding on all such Members.

(4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any Convertible Preference shares or other shares issued on special conditions and shall include:-

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve fund or to share premium or other special account.

NOTICES

126. Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his address in the Register. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

127. Any Member whose address in the Register is not within the United Kingdom, who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address; but, save as aforesaid, no Member other than a Member whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company.

128. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is posted (by whatever class of post). In proving such service it shall be sufficient to prove that the letter containing the notice of document was properly addressed, stamped and posted.

129. Any notice or document sent by post to, or left at the address in the Register of, any Member in pursuance of these Articles shall, notwithstanding such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as holder or joint holder thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such share.

130. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered in the Register, shall have been duly given to the person from whom he derives his title to such share.

WINDING UP

131. If the Company shall be wound up, the Liquidator may with the sanction of an Extraordinary Resolution, divide amongst the Members in specie the whole or any part of the assets of the Company in such manner as he shall think fair, and may with the like sanction, vest the whole or any

part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.

132. The power of sale of a Liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.

INDEMNITY

133. The Directors, alternate Directors, Auditors, Secretary and other officers of the Company shall be indemnified out of its assets against all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under Section 727 of the Act in which relief is granted to them by the Court.

**Notice of passing of resolution
removing an auditor**Please do not
write in
this margin

Pursuant to section 386 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering* Insert full name
of company§ Insert name
and address of
removed auditor(s)o delete or
complete as
appropriateTo the Registrar of Companies
(Address overleaf)

For official use

Company number

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1786119

Name of company

* ETTINGTON PARK GROUP PLCgives notice that by a resolution passed at a general meeting of the company
on 27th January 19 93§ PRICE WATERHOUSEof THAMES COURT1 VICTORIA STREETWINDSOR, BERKSHIREPostcode: SL4 1HBwas removed as auditor before the expiration of his term of office, with effect from
[the passing of the resolution] o
27th January 19 93] o‡ Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

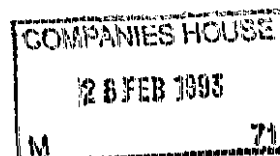
Designation‡

DIRECTOR

Date 25th February 1993

Presentor's name address and
reference (if any):For official Use
General Section

Post room



**Notice of passing of resolution
removing an auditor****386**Please do not
write in
this margin

Pursuant to section 386 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold black letteringTo the Registrar of Companies
(Address overleaf)

For official use

Company number

--	--	--	--

17896119

1786119

Name of company

* ETTINGTON PARK GROUP PLC

* Insert full name
of company

gives notice that by a resolution passed at a general meeting of the company

on 27th January 1993§ Insert name
and address of
removed auditor(s)

§ Price Waterhouse

of Thames Court, 1 Victoria Street, Windsor

Berkshire

Postcode: SL4 1HB

was removed as auditor before the expiration of his term of office, with effect from

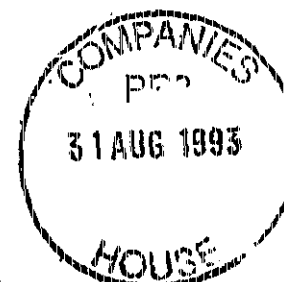
[the passing of the resolution] 2

o delete or
complete as
appropriate* Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation: Company Secretary Date 27th August 1993Presenter's name address and
reference (if any):C.A.N. BURT
18 ASHWELL ROAD
PUTNEY
LONDON SW15 1LRFor official Use
General Section

Post room



Our ref MJC/KJM/srw

The Company Secretary
Ettington Park Group plc
Alderminster
STRATFORD UPON AVON
Warwickshire
CV37 8BS

23 January 1995

Dear Sir -

In accordance with the Companies Act 1985, sections 392 to 394, we write to inform you of our resignation as auditors of Ettington Park Group Plc with immediate effect.

There are no circumstances connected with our ceasing to hold office which we consider should be brought to the attention of the members or creditors of the company.

You are required to send a copy of this notice to the Registrar of Companies within fourteen days.

Yours faithfully

Grant Thornton

GRANT THORNTON
Registered Auditors

Grant Thornton House
46 West Bar
Banbury
Oxon OX16 9RZ
Tel 0295 264343
Fax 0295 270083

Authorised by The Institute of
Chartered Accountants in England
and Wales to carry on audit
business. A list of partners may be
inspected at the above address and
at Grant Thornton House
Euston Square London NW1 2EP

