

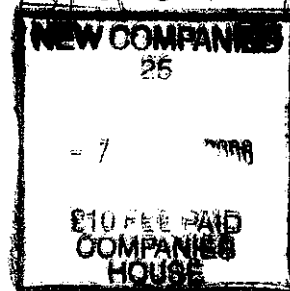
(Registered in England No. 1994997)

**THE COMPANIES ACTS 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES**

SPECIAL RESOLUTIONS

of

UGC LIMITED



At an annual general meeting of UGC Limited, duly convened and held at Unipart House, Cowley, Oxford OX4 2PG on 25 May 2006, the following resolutions were passed as special resolutions.

SPECIAL RESOLUTIONS

THAT the name of the Company be changed to Unipart Group of Companies Limited.

THAT the Articles of Association of the Company be and are hereby amended by the deletion of the existing Article 130 and the addition of a new Article 130 as follows:

- 130.1 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise) in relation to the Company or its affairs provided that such indemnity shall not apply in respect of any liability incurred by him:
- (i) to the Company or to any associated company; or
 - (ii) to pay a fine imposed in criminal proceedings; or
 - (iii) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or
 - (iv) in defending any criminal proceedings in which he is convicted; or
 - (v) in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or
 - (vi) in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely:

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN CONSENT

of the

"D" ORDINARY SHAREHOLDERS

of

UGC LIMITED

WE, being all the holders ("D" Ordinary Shareholders") of Founders "D" Ordinary Shares (the "D" Ordinary Shares") of 0.5p each in the capital of the Company who are entitled to attend and vote at a meeting of the "D" Ordinary Shareholders, hereby consent, in accordance with Article 77 of the Articles of Association of the Company, to the modification of the Articles of Association pursuant to the passing and the implementation of special resolution 4 set out in the Notice of Meeting dated 28 April 2006 convening an Annual General Meeting of the Company on 25 May 2006.

Signature: 

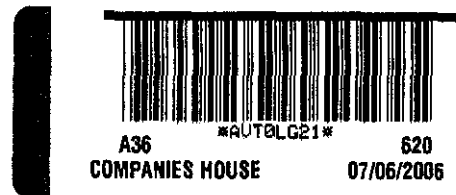
J M Neill

Dated 25 May 2006

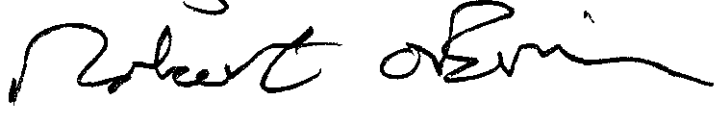
Signature: 

A J Mourgue

Dated 25 May 2006



certified true copy of
the original



Robert O'Brien
Deputy Company Secretary

- (a) section 144(3) or (4) of the Act (acquisition of shares by innocent nominee); or
- (b) section 727 of the Act (general power to grant relief in case of honest and reasonable conduct).

130.2 In article 130.1(iv), (v) or (vi) the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:

- (i) if not appealed against, at the end of the period for bringing an appeal, or
- (ii) if appealed against, at the time when the appeal (or any further appeal) is disposed of.

An appeal is disposed of:

- (1) if it is determined and the period for bringing any further appeal has ended, or
- (2) if it is abandoned or otherwise ceases to have effect.

130.3 In article 130, "associated company", in relation to the Company, means a company which is a subsidiary of the Company, or a holding company of or a subsidiary of any holding company of the Company.

130.4 Without prejudice to article 130.1 or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the board may in its absolute discretion think fit, the board shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 144(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 727 of the Act (general power to grant relief in case of honest and reasonable conduct) or to enable a director to avoid incurring any such expenditure.


130.5 Where at any meeting of the board or a committee of the board any arrangement falling within paragraph 130.4 above is to be considered, a director shall be entitled to vote and be counted in the quorum at such meeting unless the terms of such arrangement confers upon such director a benefit not generally available to any other director. In that event, the interest of such director in such arrangement shall be deemed to be a material interest for the purposes of article 104 and he shall not be so entitled to vote or be counted in the quorum.

130.6 To the extent permitted by the Act, the board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:

- (i) a director, alternate director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or

(ii) trustee of a retirement benefits scheme or other trust in which a person referred to in sub-paragraph 130.6(i) above is or has been interested,

indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

A handwritten signature in black ink, appearing to read "Robert Brown". The signature is fluid and cursive, with a long horizontal stroke at the end.

.....
Deputy Company Secretary

Company No: 1994997

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

UGC LIMITED

Incorporated the 4th day of March, 1986

Articles of Association as amended on 25 May 2006

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THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

UGC LIMITED

PRELIMINARY

- 1.1 The headings shall not affect the construction hereof and in the interpretation of these Articles unless there be something in the subject or context inconsistent therewith the following words and expressions shall bear the meanings set opposite them:-

"the Act" the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force

"Amended" amended, varied, supplemented or replaced (including in the case of the Shareholders Agreement replaced by an agreement involving different parties which is expressed to replace the Shareholders Agreement) from time to time and a reference to a provision of an agreement or a document will be treated as a reference to any replacement provision of that provision

"the Approval of the "D" Ordinary Shareholders" (a) while any "D" Ordinary Shareholders are in the full time employment of the Company or any member of the Group, (i) the approval of the holder or holders (being a holder or holders who are in such full time employment) of a majority of the "D" Ordinary Shares in issue at the relevant time and (ii) the approval of such of J.M. Neill and A.J. Mourgue who hold "D" Ordinary Shares and who are in such full time employment; or

(b) if there are no such "D" Ordinary Shareholders who are in such full time

employment no approval will be required

"the Approval of the Majority of Institutional Investors"	while there is more than one Institutional Investor, the approval of not less than two Institutional Investors who together hold a majority by nominal value of all the Ordinary Shares for the time being held by the Institutional Investors, and while there is one Institutional Investor, the approval of such Institutional Investor, provided that, in all cases, the necessary approval shall be deemed to have been given if the Directors appointed pursuant to Article 87(B) shall have given their approval
"the Articles"	the Articles of Association of the Company
"the Board"	the Board of Directors of the Company
""A" Ordinary Share"	a Founders "A" Ordinary Share of 0.5p in the capital of the Company as hereinafter provided
""A" Ordinary Shareholder"	a holder for the time being of "A" Ordinary Shares
"Approved Scheme"	a scheme established by the Company or a subsidiary company of the Company with respect to shares in the capital of the Company approved from time to time under Schedule 9 Income and Corporation Taxes Act 1988, Schedule 4 Income Tax (Earnings and Pensions) Act 2003 or any subsequent legislation applicable to Inland Revenue approved share schemes
"clear days"	in relation to a period of notice means that period excluding the day when the notice was given or deemed to be given and the day for which it is given or on which it is to take effect
"Company's Share Valuers"	share valuers appointed by the Board from time to time for the purposes of these Articles
""D" Ordinary Share"	a Founders "D" Ordinary Share of 0.5p in the capital of the Company as hereinafter provided
""D" Ordinary Shareholder"	if there are no "D" Ordinary Shareholders who are in such full-time employment, no approval will be required
"Director"	a director for the time being of the Company
""E" Ordinary Share"	a Founders "E" Ordinary Share of 0.5p in the capital of the Company as hereinafter provided

"E" Ordinary Shareholder"	a holder for the time being of "E" Ordinary Shares
"EBT"	together, UGC Share Trustees Limited (a company registered in the Isle of Man), Roger Lester Breadner and Stephen Thomas Moorhouse, or such other trustee or trustees of the employee benefit trust established for the benefit of employees of the Company and its subsidiaries from time to time constituted by a Trust Deed executed upon 8th January 1987 as Amended
"Equity Share Capital"	all of the "A" Ordinary Shares, the "D" Ordinary Shares and the "E" Ordinary Shares from time to time in issue
"executed"	any method of execution
"Executive Director"	any director of the Company who spends substantially all of his time in the employment of the Company or any of its subsidiaries
"Group"	the Company and its subsidiaries from time to time
"holder"	in relation to shares means the member whose name is entered in the register of members as the holder of the Shares
"Institutional Investors"	<p>Electra Private Equity Partners (Scotland) LP, 3i plc, Vidacos Nominees Limited, or a nominee of such a person or any person who is a transferee of any "A" Ordinary Shares from a person who was at the time of the transfer an Institutional Investor or a nominee of such a transferee except where:-</p> <ul style="list-style-type: none"> (i) the transferee (not being an Institutional Investor) acquires such shares pursuant to an exercise of pre emptive rights under article 31; (ii) the transferee is the EBT; (iii) the aggregate number of "A" Ordinary Shares the subject of such transfer does not exceed one per cent. of the Equity Share Capital of the Company; (iv) the transferee is a holder for the time being of "D" Ordinary Shares, is UGC Pension Shareholdings Limited, is UGC Pension Trustees Limited or such other trustee or

trustees of the UGC Pension Scheme constituted by the third definitive trust deed and rules dated 14 January 2002 as Amended or is UGC Retirement Benefits Trustees Limited or such other trustee or trustees of the UGC Retirement Benefits Scheme constituted by the third definitive trust deed and rules dated 29 September 1995 as Amended

Provided that a person who is such a transferee shall not become an Institutional Investor unless and until it has executed and delivered to the Board a deed in the form required by Clause 11.7 of the Shareholders Agreement.

"Listing"

the granting of permission by the Council of The Stock Exchange for the ordinary Share capital of the Company to be dealt in on the Unlisted Securities Market or the admission of the ordinary Share capital of the Company by the Council of The Stock Exchange to the Official List or, in circumstances where the same has been instigated by the Company or with the consent of the Board of the Company, the ordinary Share capital of the Company becoming the subject of any other marketing arrangement either in accordance with the rules of recognised investment exchange (as defined in S.207 of the Financial Services Act 1986) or which enables Shares in the Company to be freely traded in the United Kingdom between members of the public

"Majority of Institutional Investors"

while there is more than one Institutional Investor, not less than two Institutional Investors who together hold a majority by nominal value of all the Ordinary Shares for the time being held by the Institutional Investors, and while there is one Institutional Investor, such Institutional Investor

"Office"

the registered office of the Company

"Ordinary Shares"

"A" Ordinary Shares, "D" Ordinary Shares or "E" Ordinary Shares

"Seal"

the Common Seal of the Company

"Secretary"

the Secretary of the Company or any person appointed to perform the duties of the Secretary of

	the Company including a joint, assistant or deputy secretary
"Share"	any Share for the time being in the capital of the Company
"Shareholder"	a holder for the time being of any Shares
"Shareholders Agreement"	an agreement executed on 9 August 1989 between the Company and others as Amended
"Unipart"	Unipart Group Limited (Registered No.576777)
"United Kingdom"	Great Britain and Northern Ireland
"Table A"	Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended)
"Connected Person"	as defined by Section 533 Income and Corporation Taxes Act 1970

Words and expressions defined in the Act shall unless the context otherwise requires have the same meanings in these Articles. The singular shall include the plural and vice versa.

TABLE A

2. None of the Regulations contained in Table A shall apply to the Company save in so far as they are embodied in any of the following Articles which shall be the Articles of Association of the Company.

PRIVATE COMPANY

3. The Company is a private company and accordingly any invitation to the public to subscribe for any Shares or debentures of the Company is prohibited.

SHARE CAPITAL

4. The authorised Share capital of the Company at the date of adoption of these Articles is £1,000,000 divided into 200,000,000 Ordinary Shares.

"A" ORDINARY, "D" ORDINARY AND "E" ORDINARY SHARES

Shares to Rank Pari Passu

5. The "A" Ordinary Shares, the "D" Ordinary Shares and the "E" Ordinary Shares shall constitute separate classes of Shares but save as otherwise specifically provided in these Articles shall rank pari passu.
6. On a return of capital on liquidation or otherwise the assets of the Company available for distribution amongst the Shareholders shall be applied in paying pro-rata to the holders

of the "A" Ordinary Shares the sum of 0.5p per Share and to the holders of the "D" Ordinary Shares and the "E" Ordinary Shares the sum of 1p per Share and thereafter pro-rata to the nominal value of Shares held by them.

ISSUE OF SHARES

7. Subject to these Articles the pre-emption provisions of sub-section (1) of Section 89 and sub-sections (1) to (6) of Section 90 of the Act shall apply to any allotment of the Company's equity securities PROVIDED THAT for the purposes of those sub-sections the "A" Ordinary Shares, "D" Ordinary Shares and "E" Ordinary Shares shall be treated as one class and the period specified in Section 90(6) of the Act shall be 60 days and Provided further that the holders of equity securities ("Equity Shareholders") who accept Shares so issued shall be entitled to indicate that they would accept Shares that have not been accepted by other Equity Shareholders ("Excess Shares") on the same terms as originally offered to all Equity Shareholders and any Shares not so accepted shall be allotted to the Equity Shareholders who have indicated they would accept Excess Shares; such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Shareholders or if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all the Excess Shares they have indicated they would accept then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares.
8. Subject to the provisions of the Act and of the Articles and provided and without prejudice to any rights attached to any existing Shares, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
9. Subject to the provisions of the Act and of the Articles Shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles.
10. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act and as herein provided any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other.
11. Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety thereof in the holders.

SHARE CERTIFICATES

12. Every Shareholder, upon becoming the holder of any Shares, shall be entitled without payment to receive within two months after allotment or transfer one certificate for all the Shares held by him (and, upon transferring a part of his holding of Shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his Shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the Common

Seal or the Official Seal kept by the Company by virtue of Section 40 of the Act and shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and the delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

13. If a Share certificate is defaced, worn-out, lost or destroyed it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

14. The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all monies (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to any amount payable in respect of it.
15. The Company may sell in such manner as the Directors determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Share may be sold.
16. To give effect to a sale the Directors may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
17. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any monies not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

18. Subject to the terms of allotment the Directors may make calls upon the Shareholders in respect of any monies unpaid on their Shares (whether in respect of nominal value or premium) and each Shareholder shall (subject to receiving at least 14 clear days notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him

notwithstanding the subsequent transfer of the Shares in respect whereof the call was made.

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
20. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
21. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the Directors may waive payment of the interest wholly or in part.
22. An amount payable in respect of a Share on allotment or at any fixed date whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
23. Subject to the terms of allotment, the Directors may make arrangements on the issue of Shares for a difference between the Shareholders in the amount and times of payment of calls on their Shares.
24. If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
25. If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and the forfeiture shall include all dividends or other monies payable in respect of the forfeited Share and not paid before the forfeiture.
26. Subject to the provisions of the Act and of the Articles, a forfeited Share may be sold, reallocated or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture the Shareholder or to any other person and at any time before such sale, reallocation or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer of the Share to that person.
27. A person any of whose Shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all monies which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those monies before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act)

from the date of forfeiture until payment but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

28. A statutory declaration by a Director or the Secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.
29. The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.

PERMITTED TRANSFERS

- 30.1 Except with the separate written consents of all the Directors in office at any relevant time and appointed pursuant to Article 87(B) hereof and with the Approval of the "D" Ordinary Shareholders or save as hereinafter permitted, no transfer, disposal, charge or other dealing in any Share shall occur other than the transfer of the whole of the legal and equitable title to such Share free from all liens, charges and encumbrances and with all rights, title and interest in existence at the date of transfer together with all rights which may arise in respect thereof thereafter (and "transfer" in these Articles shall be construed accordingly). The Directors shall not register any transfer of Shares in the Company save in the circumstances permitted by Articles 30, 31, 32, 33, 34, 35 and 36 and no Share or any interest therein shall be transferred to or otherwise become vested in any person or body otherwise than in accordance with the said Articles. Save as provided therein the Shareholders shall not be entitled to transfer any Shares except for transfers sanctioned by the provisions of Articles 30, 31, 32, 33, 34, 35 and 36.
- 30.2 Subject to Article 34.2 below and without prejudice to Article 11, any Share held by a Shareholder may with the consent of the Board be transferred to a person shown to the satisfaction of the Board to be a nominee of or a trustee for that Shareholder only ("Beneficial Shareholder") PROVIDED THAT the provisions of this Article and Articles 31, 32, 33, 34, 35 and 36 shall apply to any Share so transferred as if it were still held by the Beneficial Shareholder.
- 30.3 Subject to Article 34.2 below any Share held by a nominee of or a trustee for a Beneficial Shareholder may be transferred to such Beneficial Shareholder or subject to the proviso in Article 30.2 to any other nominee of or trustee for such Beneficial Shareholder only.
- 30.4 Any Shareholder which is a body corporate may transfer any Shares to any holding company of which it is a wholly-owned subsidiary or any other body corporate which is a wholly-owned subsidiary of it or such holding company as aforesaid PROVIDED ALWAYS THAT the transferee gives an undertaking to the Company that in the event of any such body corporate ceasing to be a holding company of which the Shareholder is a wholly-owned subsidiary or as the case may be to be wholly-owned by the

Shareholder or such holding company as aforesaid immediately prior to it so ceasing such Shares shall be transferred to the Shareholder.

30.5.1 Subject to 34.2 below and with the consent of the Board any Share may be transferred by a Shareholder or his personal representatives to Privileged Relations of such Shareholder or to trustees to be held on the trusts of a family settlement or to the original settlor PROVIDED THAT the provisions of this Article and Articles 31, 32, 33, 34, 35 and 36 shall apply to any Share so transferred as if it were still held by the Shareholder.

30.5.2 In this Article the words listed below shall have the meaning set out opposite them:-

"Privileged Relations"	husband or wife, mother or father, widow or widower, son or daughter, grandson or grand-daughter, son-in-law or daughter-in-law, grandson-in-law or grand-daughter-in-law, brother or sister, niece or nephew
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"trusts of a family settlement"	trusts or will trusts under which no immediate beneficial interest in the Shares is for the time being vested in any person other than a particular Shareholder or deceased Shareholder and his Privileged Relations and no power of control over the voting powers conferred by such Shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees or the particular Shareholder concerned or his personal representatives or Privileged Relations.
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30.6 Subject to Article 35 hereof any Share may be transferred at any time by a Shareholder to any other person with the separate consents of all of the Directors in office at any relevant time and appointed pursuant to Article 87(B) hereof and with the Approval of the "D" Ordinary Shareholders.

30.7 Notwithstanding any provision of these Articles, but without prejudice to Article 11, the equitable title only (as opposed to the entire legal and equitable title) to any Share may, with the consent of the Board, be transferred at any time by an Institutional Investor to an employee or former employee of such an Institutional Investor or an employee or former employee of any person to whom such an Institutional Investor could transfer shares pursuant to Article 30.4 or an employee or former employee of any fund manager or advisor of any such person or to trustees of trusts created by such employees or former employees PROVIDED THAT the Board consents to such transfer and the separate consent of the Directors then appointed pursuant to Article 87(B) and the approval of the "D" Ordinary Shareholders is obtained and further provided that the provisions of this Article and Articles 31, 32, 33, 34, 35, and 36 shall apply to any Share the equitable title to which is so transferred as if the whole of the legal and equitable title were still held by the Institutional Investor concerned.

- 30.8 Notwithstanding any provision of these Articles but without prejudice to Article 11, the equitable title only (as opposed to the entire legal and equitable title) to any Share may, with the consent of the Board, be transferred at any time by a Shareholder to his or her husband or wife, as the case may be, PROVIDED THAT the provisions of this Article and Articles 31, 32, 33, 34, 35 and 36 shall apply to any Share the equitable title to which is so transferred as if the whole of the legal and equitable title were still held by the Shareholder.
- 30.9 Notwithstanding any provision of these Articles but without prejudice to Article 11, a Shareholder may create an equitable charge over the Shares held by such Shareholder provided that, in relation to Shares held by an employee or former employee, any right that the Company may have to require the transfer of such Shares to the EBT or a person nominated by the Company in the circumstances described in Article 36.1 shall take priority over the rights of the holder of such charge.
- 30.10 Any consent or approval under this Article 30 may be given at the time of or at any time in advance of the transfer and may be general or specific.

TRANSFERS OF "A" ORDINARY SHARES

- 31.1 Holdings of "A" Ordinary Shares may be transferred in whole or in part. For the avoidance of doubt these provisions on transfer shall apply to any offer made and accepted under this Article 31. Save as provided in Articles 30, 33 and 36 hereof any Shareholder (the "Retiring Shareholder") wishing to transfer part or all of the "A" Ordinary Shares held by him shall first give a notice in writing (a "Sale Notice") to the Company specifying the number and de-noting numbers (if any) of the said Shares which the Retiring Shareholder wishes to sell (the "Sale Shares") and stating (if the Sale Shares represent more than one per cent of the Equity Share Capital of the Company) whether he is only prepared to sell all and not part only of the Sale Shares which notice shall constitute the Company the agent of the Retiring Shareholder for the sale of the Sale Shares at Market Value (as determined in accordance with the provisions of Article 31.7) and otherwise in accordance with the provisions of this Article. Save as provided in Article 31.8 below, a Sale Notice once given may not be revoked.
- 31.2 Save where the Sale Shares represent more than one per cent. of the Equity Share Capital of the Company, unless the Board otherwise permits, the Sale Notice referred to above may only be given during the period of one month (or such longer period as the Board may from time to time decide) following the date notified in writing to all Shareholders as the first date on which Sale Notices may be given pursuant to this Article 31.2 (the last day of such period being hereinafter referred to as the "Offer Date") provided always that all Shareholders have, on or prior to the date of such notification, been sent written notice of the Market Value of the Shares in the Company determined in accordance with Article 31.7(ii). The Board shall ensure that there is at least one such one month period in each calendar year, that there shall be no more than 18 months between two Offer Dates and that the first day of each such one month period is not more than two months after the date of the last certificate of Market Value prepared and sent to Shareholders in accordance with Article 31.7(ii).

- 31.3 On receipt of a Sale Notice the Company shall subject to Article 31.10 forthwith offer the Sale Shares at Market Value first to all the other "A" Ordinary Shareholders in proportion as nearly as may be to the nominal amount of their existing holdings of "A" Ordinary Shares in the Company PROVIDED THAT if the Board so decides no such offer shall be made to any such "A" Ordinary Shareholder who would otherwise have been offered less than an amount of such Sale Shares as the Board may from time to time decide (such amount not to exceed 50 of such Sale Shares) and the Sale Shares which any such "A" Ordinary Shareholder would have been offered (but for this proviso) shall be offered at Market Value to all the other "A" Ordinary Shareholders (if any), save for the Retiring Shareholder, in proportion as nearly as may be to the nominal amount of their existing holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that the same is not accepted within 42 days of the receipt of the Sale Notice by the Company be deemed to be declined and any remaining Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "A" Ordinary Shareholders who have accepted Sale Shares and if there be more than one such Shareholder in proportion as nearly as may be to their existing holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that it is not accepted within 49 days of receipt of the Sale Notice by the Company be deemed to be declined.
- 31.4 If the Company shall not have found Shareholders willing to purchase all of the Sale Shares pursuant to Article 31.3 the Company shall forthwith offer the Sale Shares not so accepted to the EBT at Market Value. Such offer shall to the extent that the same is not accepted within 63 days of receipt of the Sale Notice by the Company be deemed to be declined and any remaining such Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders and the "E" Ordinary Shareholders (other than the Retiring Shareholder even if he holds "D" Ordinary Shares or "E" Ordinary Shares) in proportion as nearly as may be to the nominal amount of their respective holdings in aggregate of "D" Ordinary and "E" Ordinary Shares in the Company. Such offer shall to the extent that the same is not accepted within 84 days of receipt of the Sale Notice by the Company be deemed to be declined and any remaining Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders or "E" Ordinary Shareholders who have accepted Sale Shares and if there be more than one such "D" Ordinary Shareholder or "E" Ordinary Shareholder in proportion as nearly as may be to their existing holdings in aggregate of "D" Ordinary Shares and "E" Ordinary Shares. Such offer shall to the extent that it is not accepted within 91 days of the receipt of the Sale Notice by the Company be deemed to be declined.
- 31.5 If the Company shall find purchasing Shareholders in respect of all or (except where the Sale Notice stated that the Shareholder was prepared to sell all but not part only of the Sale Shares) any of the Sale Shares in accordance with Articles 31.3, 31.4 and 31.10 it shall forthwith give notice thereof to the Retiring Shareholder which notice shall provide that the price for the Sale Shares is to be Market Value determined in accordance with this Article and that the Retiring Shareholder and the proposed purchasers shall be bound to complete the sale and purchase within seven days of the date of such notice.
- 31.6 If the Company shall not find purchasing Shareholder(s) pursuant to Articles 31.3, 31.4 and 31.10 for all of the Sale Shares or if through no default of the Retiring Shareholder

the purchase of any of the Sale Shares is not completed within the time period specified in Article 31.5 the Retiring Shareholder shall be at liberty at any time within (i) (in the case of Sale Shares the subject of the procedure set out in Articles 31.3 and 31.4), 120 days of receipt of the Sale Notice by the Company or (ii) (in the case of Sale Shares the subject of the procedure set out in Article 31.10), 90 days of the Offer Date to transfer such of the Sale Shares as were not accepted or in respect of which the sale was not completed as aforesaid or (in any case where the Sale Notice stated, in accordance with Article 31.1, that the Retiring Shareholder required to sell all and not part only of the Sale Shares) all of the Sale Shares to any person he may wish subject to Article 35 and at Market Value or any higher or (subject as provided below) lower price PROVIDED THAT no Sale Share shall be sold at a lower price than Market Value without first serving a further Sale Notice upon the Company specifying such lower price as the price at which such Sale Shares are offered and all the provisions of this Article 31 shall apply to such further Sale Notice save that Market Value shall be deemed to be such lower price.

31.7 The Market Value of the Sale Shares shall be either:-

- (i) in the event that at the time of service of the Sale Notice the Retiring Shareholder nominates to the Company a proposed bona fide purchaser of the Sale Shares and produces such evidence as the Company may reasonably require of the agreement of the nominated purchaser to purchase the Sale Shares from the Retiring Shareholder, the price that has been agreed with the nominated purchaser, or otherwise
- (ii) as set out in the most recent valuation as at the date of the Sale Notice as calculated by the Company's Share Valuers who shall, at least once in each calendar year at a time to be determined by the Board (but in any event so that not more than 18 months shall elapse between such valuations) certify in writing to the Directors what in their opinion is the Market Value of each "A" Ordinary Share, "D" Ordinary Share and "E" Ordinary Share calculated on the basis hereinafter described. The Company's Share Valuers shall value each "A" Ordinary Share, "D" Ordinary Share and "E" Ordinary Share on the basis of the market value per Share of a parcel of "A" Ordinary Shares representing 1% or less of the Equity Share Capital and the same value shall be attributed to each "A" Ordinary Share, "D" Ordinary Share and "E" Ordinary Share regardless of the differing rights and restrictions attaching to each class of Shares. For these purposes "market value" shall have the same meaning as that set out in Section 150 of the Capital Gains Tax Act 1979. In so certifying the Company's Share Valuers shall act as experts and not as arbitrators and their decision shall be final and binding upon the parties. The costs of the Company's Share Valuers' certificate of Market Value shall be borne by the Company. Following receipt of such certificate the Directors shall at such time as they may determine send written notice of the Market Value certificate to all Shareholders.

31.8.1 If after the giving of the Sale Notice and before the giving of the notice by the Company referred to in Article 31.5 the Company's Share Valuers certify Market Value under Article 31.7(ii) and their certificate discloses a Market Value for the Sale Shares which

is greater than the Market Value applicable to the Sale Notice, the Retiring Shareholder may if he wishes within 14 days of the posting of notice of such certificate revoke his Sale Notice by notice in writing to the Company.

- 31.8.2 If the Sale Shares represent one per cent or less of the Equity Share Capital of the Company, the Retiring Shareholder who gives a Sale Notice pursuant to Article 31.2. may revoke such Sale Notice at any time prior to the Offer Date by notice in writing to the Company.
- 31.9 In the event of the Retiring Shareholder failing to carry out the sale of any of the Sale Shares within the time period set out in 31.5 above the Directors may authorise some person to execute a transfer of the Sale Shares to the purchasing Shareholder and the Company may give a good receipt for the purchase price of such Sale Shares and may register the purchasing Shareholder as holder thereof and issue to him certificates for the same whereupon the purchasing Shareholder shall become indefeasibly entitled thereto. The Retiring Shareholder shall in such case be bound to deliver up his certificate for the Sale Shares to the Company whereupon the Retiring Shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Retiring Shareholder but without interest. If such certificate shall comprise any Shares which the Retiring Shareholder has not become bound to transfer as aforesaid the Company shall issue to the Retiring Shareholder a balance certificate for such Shares.
- 31.10 The procedure set out in Articles 31.3 and 31.4 shall not apply to Sale Shares which are the subject of Sale Notices given during the period referred to in Article 31.2 (other than Sale Shares the subject of a Sale Notice given during that period which represent more than one per cent. of the Equity Share Capital of the Company) and the procedure set out in this Article 31.10 shall apply to such Sale Shares:-
- (i) Forthwith after the Offer Date, the Company shall offer all such Sale Shares at Market Value first to the EBT. Such offer shall to the extent that the same is not accepted within 30 days of the Offer Date be deemed to be declined and any remaining such Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders and the "E" Ordinary Shareholders (other than such a Shareholder who is one of the Retiring Shareholders) in proportion as nearly as may be to the nominal amount of their respective holdings in aggregate of "D" Ordinary Shares and "E" Ordinary Shares (separate offers being made in respect of Sale Shares having a different Market Value). Such offers shall to the extent that the same are not accepted within 51 days of the Offer Date be deemed to be declined and any remaining such Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders or "E" Ordinary Shareholders who have accepted Sale Shares pursuant to any such offer and if there be more than one such "D" Ordinary Shareholder or "E" Ordinary Shareholder in proportion as nearly as may be to the nominal amount of their existing holdings in aggregate of "D" Ordinary Shares and "E" Ordinary Shares (separate offers being made in respect of any such remaining Sale Shares having a different Market Value). Such offers shall to the extent that the same are not accepted within 65 days of the date of the Offer Date be deemed to be declined.

- (ii) If the EBT accepts (in whole or in part) the offer of Sale Shares made to it alone under this Article 31.10, it may, notwithstanding Article 31.5 and 31.9, deduct from the purchase price for any Sale Shares to be purchased from a Retiring Shareholder an amount by way of an administration charge of up to 2% of the purchase price (subject to a minimum and a maximum charge as the Board shall allow from time to time). The EBT may when accepting such offer of Sale Shares elect at its discretion which Sale Shares from which Retiring Shareholder it wishes to purchase. Acceptances of any subsequent offer of Sale Shares under this Article 31.10 made by a "D" Ordinary Shareholder or an "E" Ordinary Shareholder shall be allocated between Retiring Shareholders pro rata (as nearly as may be) to the number of Sale Shares held by them being offered at that Market Value.

- 31.11 Any "A" Ordinary Share which is a qualifying investment within the meaning of the Personal Equity Plan Regulations 1991 (as amended from time to time) ("the Regulations") may be transferred by an employee to the plan manager or his nominee or by the plan manager or his nominee to the employee, the Privileged Relations of such an employee or prospective employee, or to the personal representatives of a former such employee in accordance with the rules of a Single Company Plan (as such term is defined in the Regulations) without complying with Articles 31 and 32.

TRANSFERS BY "D" ORDINARY SHAREHOLDERS AND "E" ORDINARY SHAREHOLDERS

- 32.1 Save as provided in Articles 30, 33 and 36 hereof any "D" Ordinary Shareholder wishing to transfer part or all of the "D" Ordinary Shares held by him ("Retiring "D" Ordinary Shareholder") shall first give a notice in writing (a "Sale Notice") to the Company specifying the number and denoting numbers (if any) of the "D" Ordinary Shares which the Retiring "D" Ordinary Shareholder wishes to sell ("the Sale Shares") and stating whether he is only prepared to sell all and not part only of the Sale Shares which notice shall constitute the Company the agent of the Retiring "D" Ordinary Shareholder for the sale of the Sale Shares at Market Value and otherwise in accordance with the provisions of this Article. Save as provided in 32.7 below a Sale Notice once given may not be revoked.
- 32.2 For the purposes of the following provisions of this Article 32, the "Relevant Date" is the date on which the Company receives a Sale Notice in respect of "D" Ordinary Shares or, where such Sale Notice is received during the period referred to in Article 31.2, the Offer Date. Forthwith after the Relevant Date, the Company shall offer the Sale Shares at Market Value first to the EBT. Such offer shall to the extent that the same is not accepted within 30 days of the Relevant Date be deemed to be declined and any remaining such Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders (other than the Retiring "D" Ordinary Shareholder) and the "E" Ordinary Shareholders in proportion as nearly as may be to their existing holdings of "D" Ordinary Shares and "E" Ordinary Shares. Such offer shall to the extent that it is not accepted within 51 days of the Relevant Date be deemed to be declined and any remaining Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "D" Ordinary Shareholders and "E" Ordinary

Shareholders who have accepted Sale Shares and if there be more than one such "D" Ordinary Shareholder or "E" Ordinary Shareholder in proportion as nearly as may be to their existing holdings in aggregate of "D" Ordinary Shares and "E" Ordinary Shares in the Company. Such offer shall to the extent it is not accepted within 65 days of the Relevant Date be deemed to be declined. Any of the "D" Ordinary Shareholders or "E" Ordinary Shareholders accepting an offer under this Article may either elect to accept the number of Sale Shares offered to him in his own name or nominate a recognised United Kingdom bank for the purposes of the Banking Act 1979 by notice in writing to the Company who may accept the Sale Shares offered to him in his place to be held by such bank as a nominee for such Shareholder on the basis referred to in Article 30.2. If the EBT accepts (in whole or in part) the offer of Sale Shares made to it alone under this Article 32.2, it may, notwithstanding Article 32.4 and 32.8, deduct from the purchase price for any Sale Shares to be purchased from a Retiring "D" Ordinary Shareholder an amount by way of an administration charge of up to 2% of the purchase price (subject to a minimum and a maximum charge as the Board shall allow from time to time).

- 32.3 If the Company shall not have found "D" Ordinary Shareholders or "E" Ordinary Shareholders willing to purchase all of the Sale Shares pursuant to Article 32.2 the Company shall forthwith offer the Sale Shares not so accepted to the "A" Ordinary Shareholders (excluding the Retiring "D" Ordinary Shareholder even if he holds "A" Ordinary Shares) in proportion as nearly as may be to the nominal amount of their existing holdings of "A" Ordinary Shares in the Company PROVIDED THAT if the Board so decides no such offer shall be made to any such "A" Ordinary Shareholder who would otherwise have been offered less than an amount of such Sale Shares as the Board may from time to time decide (such amount not to exceed 50 of such Sale Shares) and the Sale Shares which any such "A" Ordinary Shareholder would have been offered (but for this proviso) shall be offered at Market Value to all the other "A" Ordinary Shareholders (if any) to whom Sale Shares are being offered in proportion as nearly as may be to the nominal amount of their existing holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that the same is not accepted within 79 days of the Relevant Date be deemed to be declined and any remaining Sale Shares which have not been accepted shall forthwith be offered at Market Value to the "A" Ordinary Shareholders who have accepted Sale Shares and if there be more than one such Shareholder in proportion as nearly as may be to their existing holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that it is not accepted within 88 days of the Relevant Date be deemed to be declined.
- 32.4 If the Company shall find purchasers in respect of all or (except where the Sale Notice stated that the Shareholder was prepared to sell all but not part only of the Sale Shares) any of the Sale Shares in accordance with Articles 32.2 and 32.3 it shall forthwith give notice thereof to the Retiring "D" Ordinary Shareholder which notice shall provide that the price for the Sale Shares is to be Market Value determined in accordance with this Article and then the Retiring "D" Ordinary Shareholder and the proposed purchasers shall be bound to complete the sale and purchase within seven days of the date of such notice.
- 32.5 If the Company shall not find purchasers pursuant to Articles 32.2 and 32.3 for all of the Sale Shares or if through no default of the Retiring "D" Ordinary Shareholder the

purchase of any of the Sale Shares is not completed within the time period specified in Article 32.4 the Retiring "D" Ordinary Shareholder shall be at liberty at any time within 120 days of the Relevant Date to transfer such of the Sale Shares as were not accepted or in respect of which the sale was not completed as aforesaid or (in any case where the Sale Notice stated that the Retiring Shareholder was prepared to sell all and not part only of the Sale Shares) all of the Sale Shares to any person he may wish and at Market Value or any higher or (subject as provided below) lower price PROVIDED THAT no Sale Shares shall be sold at a lower price than Market Value without first serving a further Sale Notice upon the Company specifying such lower price as the price at which such Sale Shares are offered and all the provisions of this Article 32 shall apply to such further Sale Notice save that Market Value shall be deemed to be such lower price.

32.6 The Market Value of the Sale Shares shall be either:-

- (i) in the event that at the date of service of the Sale Notice the Retiring "D" Ordinary Shareholder nominates to the Company a proposed bona fide purchaser of the Sale Shares and produces such evidence as the Company may reasonably require of the agreement of the nominated purchaser to purchase the Sale Shares from the Retiring "D" Ordinary Shareholder, the price that has been agreed with the nominated purchaser, or otherwise
- (ii) as set out in the most recent valuation as at the date of the Sale Notice as calculated by the Company's Share Valuers

32.7.1 If after the giving of the Sale Notice and before the giving of the notice by the Company referred to in Article 32.4 the Company's Share Valuers certify Market Value under Article 31.7 and their Certificate discloses a Market Value for the Sale Shares which is greater than the Market Value applicable to the Sale Notice, the Retiring Shareholder may if he wishes within 14 days of the posting of notice of such certificate revoke his Sale Notice by notice in writing to the Company.

32.7.2 If the Sale Notice is given during the one month period referred to in Article 31.2, the Retiring Shareholder may revoke such Sale Notice at any time prior to the Offer Date by notice in writing to the Company.

32.8 In the event of the Retiring "D" Ordinary Shareholder failing to carry out the sale of any of the Sale Shares within the time limit set out in 32.4 above the Directors may authorise some person to execute a transfer of the Sale Shares to the proposed purchaser and the Company may give a good receipt for the purchase price of such Sale Shares and may register the proposed purchaser as holders thereof and issue to them certificates for the same whereupon the proposed shareholder shall become indefeasibly entitled thereto. The Retiring "D" Ordinary Shareholder shall in such case be bound to deliver up his certificate for the Sale Shares to the Company whereupon the Retiring "D" Ordinary Shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Retiring "D" Ordinary Shareholder but without interest. If such certificate shall comprise any Shares which the Retiring "D" Ordinary Shareholder has not become bound to transfer as aforesaid the Company shall issue to the Retiring "D" Ordinary Shareholder a balance certificate for such Shares.

- 32.9 The provisions of Articles 32.1 to 32.9 shall apply mutatis mutandis to transfers of "E" Ordinary Shares save that references to "D" Ordinary Shares, "D" Ordinary Shareholders and Retiring "D" Ordinary Shareholders be read and construed as references to "E" Ordinary Shares, "E" Ordinary Shareholders and Retiring "E" Ordinary Shareholders respectively.
- 32.10 The provisions of Articles 32.1 to 32.9 (and not Article 31) shall apply mutatis mutandis to transfers of any "A" Ordinary Shares, which were previously converted from "D" Ordinary Shares pursuant to Article 34.2.2 if and to the extent that such transfers are to be effected by any holder of such Shares who prior to such conversion was a "D" Ordinary Shareholder, save that references in those Articles to "D" Ordinary Shares, "D" Ordinary Shareholders and Retiring "D" Ordinary Shareholders shall be read and construed as references to such "A" Ordinary Shareholders, such "A" Ordinary Shareholders and such Retiring "A" Ordinary Shareholders respectively.

TRANSFERS BY THE EBT

- 33.1 The EBT may at any time transfer any Share in the Company to:
- (a) an employee or prospective employee of any member of the Group;
 - (b) the Privileged Relations of such an employee or prospective employee;
 - (c) a person who is a former employee of any member of the Group or the personal representatives of such a person (where the transfer is to give effect to rights in respect of such shares granted to such a person while he was such an employee);
or
 - (d) any trust established by the Company or any member of the Group which satisfies the requirements of section 86 Inheritance Tax Act 1984

without complying with the provisions of Articles 31 and 32 above.

- 33.2 The EBT may take a transfer of any share in the Company offered to it under Article 31.4, 31.10 or 32.2 at a price less than the applicable Market Value if it so agrees.

CONVERSION ON TRANSFERS

- 34.1 Subject to 34.2 below any "D" Ordinary Share transferred to a person, firm or company (including the EBT) shall (without further authority than is herein contained being necessary) forthwith on the transfer of the same be deemed to have been converted into an "A" Ordinary Share having all the rights, privileges and restrictions attaching thereto.
- 34.2.1 Any "D" Ordinary Share transferred by a "D" Ordinary Shareholder under Articles 30.2 and 30.5 shall (without further authority than is herein contained being necessary) forthwith on the transfer of the same be deemed to have been converted into an "A" Ordinary Share having all the rights, privileges and restrictions attaching thereto pending transfer of that Share to a "D" Ordinary Shareholder when it shall (without further authority than is herein contained being necessary) unless the Board otherwise determines forthwith on the transfer of the same be deemed to be reconverted into a "D" Ordinary Share having all the rights, privileges and restrictions attaching thereto.

- 34.2.2 A "D" Ordinary Shareholder may at any time notify the Company that he requires any specified number of the "D" Ordinary Shares then held by him to be converted to "A" Ordinary Shares and such "D" Ordinary Shares shall (without further authority than is herein contained being necessary) forthwith on the date of receipt of such notice be deemed to have been converted into the same number of "A" Ordinary Shares having all the rights, privileges and restrictions attaching thereto PROVIDED THAT the provisions of this Article and Articles 30, 31, 32, 33, 35 and 36 shall apply to any share so converted after conversion as if it had not been converted.
- 34.3 Any "A" Ordinary Share transferred or issued at any time before 5 April 1994 (being the date on which an Approved Scheme with respect to shares in the capital of the Company was first established by the Company or any subsidiary company of the Company) to an employee or prospective employee of any member of the Group who is nominated in respect of such Share as a "D" Ordinary Shareholder or an "E" Ordinary Shareholder by the Board of the Company (whether or not he is at the date of transfer or issue a "D" Ordinary Shareholder or an "E" Ordinary Shareholder) shall (without further authority than is herein contained being necessary) forthwith on the transfer or issue of the same be deemed to have been converted into a "D" Ordinary Share or, as the case may be, an "E" Ordinary Share having all the rights, privileges and restrictions attaching thereto.
- 34.4 The provisions of Articles 34.1 to 34.2.1 shall apply mutatis mutandis to transfers of "E" Ordinary Shares save that references to "D" Ordinary Shares and "D" Ordinary Shareholders shall be read and construed as references to "E" Ordinary Shares and "E" Ordinary Shareholders respectively and vice versa.

TRANSFERS - CHANGING CONTROL

- 35.1 Notwithstanding anything contained in these Articles, and if made on or prior to 31 December 2004 except with the separate written consents of all the Directors in office at any relevant time and appointed pursuant to Article 87(B) hereof and with the Approval of the "D" Ordinary Shareholders, no sale or transfer of Shares to any person whomsoever conferring the right to vote in all circumstances at all general meetings of the Company which would result if made and registered in a person and/or any persons connected with that person becoming interested in a controlling interest in the Company (the "Specified Shares") shall be made or registered without the previous separate written consents of the holders of seventy-five per cent of the "A" Ordinary Share capital of the Company and the Approval of the "D" Ordinary Shareholders unless before the transfer is lodged for registration the proposed transferee or his nominee has made an offer (stipulated to be open for acceptance for twenty-eight days) to purchase all the other "A" Ordinary Shares, "D" Ordinary Shares and "E" Ordinary Shares which offer every Shareholder shall be bound within twenty-eight days of the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer). The said offer shall be at the Specified Price per Share (as hereinafter defined) for each "A" Ordinary, "D" Ordinary and "E" Ordinary Share and if and to the extent that it is an offer to purchase the Shares in the Company otherwise than for cash and/or for Shares listed on The Stock Exchange or dealt in on the Unlisted Securities Market, shall include an alternative equivalent cash offer for the Shares subject to the said offer.

For the purpose of this Article:-

- 35.1.1 the expression "a controlling interest" shall mean Shares conferring in the aggregate 42.5 per cent. or more of the total voting rights conferred by all the Shares in the capital of the Company for the time being in issue and conferring the right to vote in all circumstances at all general meetings;
- 35.1.2 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment;
- 35.1.3 a person is "connected with" another if he is interested in any Shares then registered in the name of that other or that other is interested in any Shares registered in his name, but so that the parties to the Shareholders Agreement shall not be treated as connected with each other by reason only of that agreement;
- 35.1.4 "interest" means an interest (of whatever size) in the Shares which would be taken into account in deciding whether a notification to the Company would be required under Part VI of the Act and "interested in" shall be construed accordingly;
- 35.1.5 the "Specified Price" shall mean in respect of the "A" Ordinary Shares, "D" Ordinary Shares and "E" Ordinary Shares a price at least *pari passu* to:-
- (i) the price paid or payable for a Share of any of the relevant classes or, if greater;
 - (ii) the highest price paid by the proposed transferee or any person connected with the proposed transferee for any interest acquired by any of them in any "A" Ordinary Share, "D" Ordinary Share or "E" Ordinary Share during the preceding twelve months;

in each case plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Specified Shares.

- 35.2 In the event of disagreement as to the Specified Price in connection with the "A" Ordinary Shares, "D" Ordinary Shares or "E" Ordinary Shares (and any equivalent cash offer required to be made under Article 35.1) the calculation of the Specified Price shall be referred to an umpire (acting as an expert and not as an arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding.
- 35.3.1 The proposed transferee shall deliver to the Directors all such details as the Directors may require of the consideration paid or payable by it or them for the

Specified Shares and of the consideration paid or payable for any interest in any Shares in the Company acquired by the proposed transferee or persons connected with them during the preceding twelve months including such opinions as to the value of any non-cash consideration and certificates as to the accuracy and completeness of all such information as the Directors may reasonably require; and

35.3.2 The Directors shall not at any time register a transfer of any Shares if they have reasonable cause to believe that the registration of such transfer would amount to a breach of this Article 35.

35.4 Notwithstanding anything contained in these Articles, without the Approval of the "D" Ordinary Shareholders and either the approval by special resolution of the Company or the written consent of the holders of sixty-five per cent. or more of the issued Ordinary Shares and, so long as the Institutional Investors hold at least 20 per cent. of the issued Ordinary Shares, the Approval of the Majority of Institutional Investors, no sale or transfer of any Shares to any person or company whomsoever conferring the right to vote in all circumstances at all general meetings of the Company shall be made or registered if it would result in such Shares becoming owned directly or indirectly by any motor vehicle manufacturer or motor vehicle parts manufacturer (or a distributor of the products of such manufacturers) or by any person, firm or company whose business is competitive to any material extent with the business of the Company or any of its subsidiaries from time to time.

TRANSFERS ON TERMINATION OF EMPLOYMENT

36.1.1 Save for "A" Ordinary Shares acquired under an Approved Scheme the provisions of Articles 31 and 32 shall not apply on a transfer of Shares by a Shareholder, or person or body to whom he has transferred Shares directly or indirectly under Article 30 hereof, which is required by the Company on or following termination of the employment of such Shareholder or former Shareholder with the Company or any member of the Group or if the company which is the employer of such Shareholder ceases to be a member of the Group.

36.1.2 Where the Company exercises a right to require the transfer of Shares in the circumstances described in Article 36.1.1 and the relevant Shareholder (or his personal representatives) fails to carry out a transfer of his Shares in accordance with such a requirement, the Directors may authorise some person to execute a transfer of the Shares to be sold to the transferee nominated by the Board of the Company and the Company may give a good receipt for the purchase price of the Shares sold and may register the transferee as holder of those shares and issue to the transferee certificates for the same. The relevant Shareholder or his personal representatives as the case may be shall in that case be bound to deliver up his certificate for his Shares to the Company whereupon the Shareholder or his personal representatives as the case may be shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for him but without interest.

36.2.1 If the employment or the directorship of any "D" Ordinary Shareholder with the Company is terminated by reason of:-

- (i) the expiry of notice given by either the Company or the "D" Ordinary Shareholder in accordance with the terms of his contract of employment, or
- (ii) his breach or conduct justifying summary dismissal by the Company, or
- (iii) his ill-health, disability or death

he or his personal representatives as the case may be shall, unless otherwise permitted by the Board of the Company, upon termination of his contract of employment sell at the Full Value referred to below all or any Shares (other than "A" Ordinary Shares acquired at any time after 4 April 1994, being the last date before an Approved Scheme with respect to shares in the capital of the Company was first established by the Company or any subsidiary company of the Company) he holds in the Company to the EBT or such transferee or transferees as the Board shall nominate being in each case a full-time employee or prospective full-time employee of any member of the Group.

36.2.2 If the employment of any "D" Ordinary Shareholder is terminated for any reason other than those referred to in 36.2.1 above he shall not be obliged under these Articles to sell any Shares he holds in the Company.

36.2.3 For the purposes of this Article 36.2 the Full Value of the Shares to be sold shall be the value calculated on the basis hereinafter set out. The value shall be certified by the Company's Share Valuers or if either the Company or the relevant "D" Ordinary Shareholder shall so request within 28 days of termination of his employment by a Chartered Accountant of not less than ten years standing to be agreed between the relevant "D" Ordinary Shareholder and the Company and in default of agreement to be appointed by the President of the Institute of Chartered Accountants in England and Wales. In so certifying the Company's Share Valuers or the said Chartered Accountant shall act as an expert and not as an arbitrator and his decision shall be final and binding upon the relevant "D" Ordinary Shareholder and the Company. The costs of the certificate of Full Value prepared by the Company's Share Valuers or the said Chartered Accountant shall be borne by the Company. The Company's Share Valuers or the said Chartered Accountant shall value the Shares to be sold pursuant to this Article as follows, either:-

- (i) they shall value the whole of the Equity Share Capital of the Company as at the date of termination of employment of the relevant "D" Ordinary Shareholder on the basis of a sale between a willing seller and a willing buyer and taking all matters relevant into account (including the prospects of Listing) and shall apportion the valuation of the Equity Share Capital between the "A" Ordinary Shares, "D" Ordinary Shares and "E" Ordinary Shares on the basis that there shall be no addition or subtraction of any premium or discount arising in relation to any special rights attaching to

the Shares of any such class and each such Share to be sold shall be valued as a proportionate part of the aggregate value of the "A" Ordinary Shares, "D" Ordinary Shares and "E" Ordinary Shares in issue on the assumption that the same form one class of Shares; or alternatively

- (ii) if, within 28 days of termination of his employment, the relevant "D" Ordinary Shareholder nominates to the Company a proposed bona fide purchaser of the Shares to be sold and produces such evidence as the Company may reasonably require of the agreement of the nominated purchaser to purchase such Shares from the relevant "D" Ordinary Shareholder then the Full Value shall be the price that has been agreed with the nominated purchaser and the Company's Share Valuers or the said Chartered Accountant shall issue a certificate of Full Value to that effect.

In the event that paragraph (ii) above applies such certificate shall also be accompanied by a certificate from the Company's Share Valuers or the said Chartered Accountant as to the Full Value that would have been certified had the relevant "D" Ordinary Shareholder not nominated such a purchaser.

36.2.4 In the event of the relevant "D" Ordinary Shareholder or his personal representatives failing to carry out the sale of his Shares pursuant to this Article 36 within fourteen days of determination of the value of the Shares under Article 36.2.3 above the Directors may authorise some person to execute a transfer of the Shares to be sold to the transferee nominated by the Board of the Company and the Company may give a good receipt for the purchase price of the Shares sold and may register the transferee as holder thereof and issue to the transferee certificates for the same. The relevant "D" Ordinary Shareholder or his personal representatives as the case may be shall in such case be bound to deliver up his certificate for his Shares to the Company whereupon the "D" Ordinary Shareholder or his personal representatives as the case may be shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for him but without interest.

36.3 If a "D" Ordinary Shareholder who is an employee of the Company or any subsidiary of the Company ceases to be such an employee by reason of the wrongful or unlawful termination by the Company or a subsidiary of the Company in breach of the terms of his employment and such "D" Ordinary Shareholder thereafter serves a Sale Notice or Sale Notices referred to in Article 31.1 and/or 32.1 in respect of all or any of the "D" Ordinary Shares or "A" Ordinary Shares he holds at such time or which he has acquired by the date of the service of such Sale Notice pursuant to any right subsisting at such time, then the Company shall procure that the Full Value of the "A" Ordinary Shares (other than "A" Ordinary Shares acquired by him at any time after 4 April 1994, being the last date before an Approved Scheme with respect to shares in the capital of the Company was first established by the Company or any subsidiary company of the Company), "D" Ordinary Shares and "E" Ordinary Shares is certified as at the date of the termination of employment of the relevant "D" Ordinary Shareholder and Article 36.2.3 shall apply mutatis mutandis in relation to such

valuation. Notwithstanding any of the provisions of Article 31 and 32, the Company shall not offer the Shares the subject of the Sale Notice to the EBT or other Shareholders until 14 days after it has given a copy of the certificate of the Company's Share Valuers as to such Full Value to the relevant "D" Ordinary Shareholder (and until the expiry of such 14 day period the "D" Ordinary Shareholder may if he wishes revoke his Sale Notice by notice in writing to the Company) and the offers then made in respect of such Shares pursuant to the relevant provisions of those Articles shall be made at the Full Value so certified and those provisions shall be read and construed as if references therein to Market Value were references to Full Value.

TRANSFERS - GENERAL

- 37 The Directors may refuse to register the transfer of a Share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a Share on which the Company has a lien. They may also refuse to register a transfer unless:-
- (a) it is lodged at the Office or at such other place as the Directors may appoint and is accompanied by the Certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
 - (b) it is in favour of not more than four transferees.
- 38 If the Directors refuse to register a transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- 39 The registration of transfers of Shares or transfers of any class of Shares may be suspended at such time and for such periods (not exceeding thirty days in any year) as the Directors may determine.
- 40 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any Share.
- 41 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

TRANSMISSION OF SHARES

- 42 If a Shareholder dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased Shareholder from any liability in respect of any Share which had been jointly held by him.
- 43 A person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder may, upon such evidence being produced as the Directors may properly require, elect either to become the holder of the Shares or to have some person nominated

by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the Share to that person. All the Articles relating to the transfer of Shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the Shareholder and the death or bankruptcy of the Shareholder had not occurred.

- 44 A person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder shall have the rights to which he would be entitled if he were the holder of the Share, except that he shall not, before being registered as a holder of the Share, be entitled in respect of it to attend or vote at any meeting of the Company or to any separate meeting of the holders of any class of Shares in the Company.

ALTERATION OF SHARE CAPITAL

- 45 Subject to the provisions of Article 77, the Company may by ordinary resolution:-
- (a) increase its Share capital by new Shares of such amount as the resolution prescribes;
 - (b) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares;
 - (c) subject to the provisions of the Act, sub-divide its Shares, or any of them, into Shares of smaller amount and the resolution may determine that, as between the Shares resulting from the sub-division any of them may have any preference or advantage as compared with the others; and
 - (d) cancel 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 any Share capital by the amount of the Shares so cancelled.
- 46 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of the sale in due proportion among those Shareholders and the Directors may authorise some person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 47 Subject to the provisions of the Act and Article 77 hereof the Company may by special resolution reduce its Share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

- 48 Subject to the provisions of the Act and Article 77 hereof the Company may purchase its own Shares (including any redeemable Shares) and, if it is a private company, make a

payment in respect of the redemption or purchase of its own Shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of Shares.

GENERAL MEETINGS

- 49 All general meetings other than the Annual General Meetings shall be called Extraordinary General Meetings.
- 50 The Directors may call general meetings and on a requisition of the Shareholders pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Shareholder of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

- 51 An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution or a resolution appointing a person as a Director shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:-
- (a) in the case of an Annual General Meeting, by all the Shareholders entitled to attend and vote thereat; and
 - (b) in the case of any other meeting by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than ninety-five per cent. in nominal value of the Shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted, and in the case of an Annual General Meeting, shall specify the meeting as such.

Subject to the provisions of the Articles and to any restrictions imposed on any Shares, the notice shall be given to all Shareholders, to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder and to the Directors and Auditors.

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

PROCEEDINGS AT GENERAL MEETINGS

- 53 No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote on the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of the corporation, shall be a quorum.
- 54 If such quorum is not present within half an hour of the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned until the same day in the next week at the same time and place or to such time and place

as the Directors may determine. If at such adjourned meeting a quorum is not present within half an hour the Shareholders present shall form a quorum.

- 55 The Chairman, if any, of the Board of Directors or in his absence some other Director nominated by the Directors shall preside as Chairman of the meeting, but if neither the Chairman nor any of the Directors (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of them to be Chairman and, if there is only one Director present and willing to act, he shall be Chairman.
- 56 If no Director is willing to act as Chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Shareholders present and entitled to vote shall choose one of their number to be Chairman.
- 57 A Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.
- 58 The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than business which might have properly have been transacted at the meeting had the adjournment not taken place. It shall not be necessary to give any notice of an adjourned meeting.
- 59 A resolution put to the vote of a meeting shall be decided upon a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by the Chairman of the meeting or by any Shareholder present in person or by proxy and having the right to vote at the meeting.
- 60 Unless a poll is duly demanded a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
- 61 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 62 A poll shall be taken as the Chairman of the meeting directs and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 63 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

- 64 A poll demanded on the election of a Chairman or on the question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of a result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 65 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 66 A resolution in writing executed by or on behalf of each Shareholder who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be effectual as if it had been passed at a general meeting duly convened and held and may consist of several documents in the like form each executed by or on behalf of one or more of the Shareholders.

VOTES OF SHAREHOLDERS

- 67 Subject to any rights or restrictions attached to any Shares, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a Shareholder entitled to vote, shall have one vote and on a poll every Shareholder shall have one vote for every Share of which he is the holder.
- 68 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 69 A Shareholder in respect of whom an order has been made by any court having a jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 70 No Shareholder shall vote at any general meeting or at any separate meeting of the holders of any class of Shares in the Company, either in person or by proxy, in respect of any Share held by him unless all monies presently payable by him in respect of that Share have been paid.

- 71 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
- 72 On a poll votes may be given either personally or by proxy. A Shareholder may appoint more than one proxy to attend on the same occasion.
- 73 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the usual form or in such form as the Directors may approve.
- 74 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors shall:-
- (a) be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument or proxy sent out by the Company in relation to the meeting not less than 48 hours before the time the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or to the Secretary or to any Director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 75 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

VARIATION OF RIGHTS

- 76.1 All or any of the special rights or privileges for the time being attached to any Share or class of Shares in the capital of the Company (notwithstanding that the Company may be or about to be in liquidation) and so that the rights contained in Article 77 hereof shall be treated as special rights attaching to the "A" Ordinary Shares as a class or the "D" Ordinary Shares as a class as the case may be may, either with the prior consent in writing of the holders of not less than three-fourths of the issued Shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of Shares of the class duly convened and held in accordance with these Articles

of Association (but not otherwise), be varied or abrogated. To every such separate meeting the provisions at general meetings shall mutatis mutandis apply, but so that the requisite quorum shall be two persons, present in person or by proxy, and that any holder of Shares of the appropriate class, present in person or by proxy, may demand a poll.

- 76.2 Any alteration to any of the provisions of Articles 30.6, 87(B) and (C), 97(A), (B) or (C), 101 or 103 or this Article shall be treated as a variation or abrogation of special rights attached to the Ordinary Shares for the time being held by the Institutional Investors to which Article 76.1 shall apply and for that purpose the Ordinary Shares so held shall be treated as a separate class of shares.

MATTERS REQUIRING CONSENT OF "A" ORDINARY SHAREHOLDERS AND "D" ORDINARY SHAREHOLDERS

- 77.1 Without prejudice to any other provision of these Articles or to the other special rights attaching to the "D" Ordinary Shares, none of the following shall happen at any time prior to Listing except with the Approval of the "D" Ordinary Shareholders:-
- 77.1.1 any alteration to the Memorandum or Articles of Association of the Company including the creation of any new class of share capital;
 - 77.1.2 the redemption or purchase by the Company of any Share or the reduction of the share capital, or any uncalled or unpaid liability in respect thereof, capital redemption reserve fund or share premium account of the Company;
 - 77.1.3 any modification or variation of the rights attaching to the "A" Ordinary Shares, "D" Ordinary Shares or "E" Ordinary Shares.
- 77.2 Without prejudice to the other special rights attaching to the "A" Ordinary Shares and the "D" Ordinary Shares the Company shall procure that there shall not without the prior written consents of the holders of sixty-five per cent of the issued "A" Ordinary Share Capital of the Company, the Approval of the "D" Ordinary Shareholders and so long as the Institutional Investors hold at least 20 per cent. of the issued Ordinary Shares, the Approval of the Majority of Institutional Investors be:-
- 77.2.1 any sale transfer or other disposal of any part of the issued Share capital of Unipart or any issue of Shares in Unipart other than to the Company; or
 - 77.2.2 any sale of or other disposal of any part of the business or assets of Unipart whether by one transaction or a series of connected transactions where: (a) the net assets the subject of the transaction or series of connected transactions represent more than fifteen per cent. of the consolidated net assets of the Group; and/or (b) the profits attributable to the net assets the subject of the transaction or series of connected transactions represents more than fifteen per cent. of the consolidated profits of the Group. For the purpose of determining the consolidated net assets of the Group or the consolidated profits of the Group the figures used will be the figures shown in the latest published audited consolidated accounts or if the Company has published interim accounts or results the figures shown therein. The profits attributable to the net assets the subject of the transaction and the value of the net assets the subject of the

transaction will be determined by the Board. Profits will mean profits after deducting all charges except taxation and extraordinary items. No person dealing with the Company shall be concerned to see or enquire whether the provisions of this Article 77.2.2 is observed and no transaction in breach of this Article shall be invalid;

72.2.3 the passing of any resolution to wind-up or dissolve the Company or Unipart (other than in circumstances where the Directors are unable to make a declaration of solvency).

77.3 The right of the "A" Ordinary Shareholders and the "D" Ordinary Shareholders pursuant to Article 77.2 above shall cease upon the date of Listing.

DIRECTORS

78 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall be not less than three and at least three of the Directors must perform full time executive duties for the Company or any of its subsidiaries.

ALTERNATE DIRECTORS

79.1 Any Director may at any time by writing under his hand and deposited at the registered office of the Company, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment or termination thereof, shall take effect upon deposit or delivery as aforesaid.

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

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

- 79.4 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor notifies in writing to the Company from time to time.

POWERS OF DIRECTORS

- 80 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such directions shall invalidate any prior act of the Directors which would have been valid as if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

DELEGATION OF DIRECTORS' POWERS

81. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
- 82 The Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing Director or any Director holding any other executive office such of their powers as they consider it desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying. Any delegations made under this Article shall be subject to the provisions of Articles 96 and 97.

DIRECTORS' BORROWING POWERS

- 83.1 The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and subject to Sections 81 and 82 of the Act to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party PROVIDED THAT the Directors shall procure that the aggregate of the amounts for the time being remaining undischarged or owing by the Company and its subsidiaries by way of borrowed monies (but excluding any inter-company loans, mortgages and charges) and including any amounts payable under leases or hire purchase commitments shall not (unless otherwise sanctioned by the Company in general meeting) exceed an amount equal to three (3) times the amount for the time being paid up or credited as paid up on the issued Share capital of the Company and the total of the amounts for the time being standing to the credit of the consolidated reserves (including but not limited

to Share premium account, capital redemption reserve and profit and loss account) of the Company and its subsidiaries all based on the latest audited consolidated balance sheet of the Company and its subsidiaries but:-

- 83.1.1 adjusted as may be appropriate to reflect any variations since the date of such balance sheet in the amount of such paid up capital the Share premium account and the capital redemption reserve;
 - 83.1.2 excluding any amounts set aside for deferred taxation and any amounts attributed to minority interests in subsidiaries of the Company;
 - 83.1.3 deducting any amounts attributed to intangible assets other than goodwill;
 - 83.1.4 deducting any amount equal to any distribution by the Company out of profits earned prior to the date of such balance sheet and which have been declared, recommended or made since that date except so far as provided for in such balance sheet; and
 - 83.1.5 deducting any debit balances on profit and loss account.
- 83.2 For the purposes of this Article "borrowed monies" shall be deemed to include the following except in so far as otherwise taken into account:-
- 83.2.1 the aggregate amounts outstanding in respect of facilities afforded to the Company and its subsidiaries from any bank, acceptance house, financial institution or any other person whatsoever, whether by way of overdraft, loan, acceptance credit or otherwise howsoever including for the avoidance of doubt the capital element of any finance lease entered into by the Company or any of its subsidiaries;
 - 83.2.2 any sums of money the repayment whereof by a person other than the Company or any subsidiary is the subject of a guarantee or indemnity by the Company or its subsidiaries;
 - 83.2.3 outstanding amounts raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any of the Company and its subsidiaries;
 - 83.2.4 the principal amount of any debenture (whether secured or unsecured) of any of the Company and its subsidiaries owned otherwise than by any of the Company and its subsidiaries;
 - 83.2.5 the principal amount of any preference Share capital of any subsidiary owned otherwise than by any of the Company and its subsidiaries; and
 - 83.2.6 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing
- but shall be deemed not to include:-

- 83.2.7 borrowings for the purposes of repaying the whole or any part of borrowings by any of the Company and its subsidiaries for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period and
- 83.2.8 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any of the Company and its subsidiaries, is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade or by any other Governmental Department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured.
- 83.3 A report by the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of Articles 83.1 to 83.2 be owing by the Company and its subsidiaries shall be conclusive in favour of the Company and all persons dealing with the Company.
- 83.4 When the aggregate amount of borrowings required to be taken into account for the purposes of this Article 83 on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that day in London provided that all but not some only of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business) except to the extent that the repayment of such moneys is specifically covered by a forward purchase contract when such monies shall be converted at the rate of exchange specified therein.
- 83.5 No lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article 83 is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed had been or was thereby exceeded.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 84 Directors shall not retire by rotation and a Director appointed to fill a casual vacancy or as an addition to the Board shall not retire from office at the Annual General Meeting next following his appointment.
- 85 Subject to the provisions of Article 87, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
- 86 Subject to the provisions of Article 87, the Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director,

provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.

87. (A) Intentionally deleted.
- (B) So long as the Institutional Investors hold at least 20 per cent. of the issued Ordinary Shares, the Majority of Institutional Investors shall be entitled to appoint two Directors of the Company and remove such Directors or either of them and appoint another person or persons in their place. The annual fee payable in respect of the services of each of such Directors shall be £14,200 plus VAT (if applicable) subject to an upward annual review by the Board and payable quarterly in arrears and shall be payable either to the Director or at his request to such of his appointors as he shall nominate. Such appointments, removals and further appointments shall be made by notice in writing served upon the Company at its registered office.
- (C) Save for appointments made under Article 87(B) above and save for the appointment of Executive Directors, all appointments of Directors shall be subject to the approval of the Directors appointed under Article 87(B) while any such Directors hold office.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

88. The office of a Director shall be vacated if:-
- (a) He ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- (b) He becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) He is, or may be, suffering from a mental disorder and either:-
- (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (iii) in the reasonable opinion of all his co-Directors he becomes incapable by reason of mental disorder of discharging his duties as Director.
- (d) He resigns his office by notice to the Company; or
- (e) He shall for more than six consecutive months have been absent without permission of the Directors from meetings with the Directors held during that period and the Directors resolve that his office be vacated.

REMUNERATION OF DIRECTORS

- 89.1 Subject to the provisions of Articles 87 and 89.2, the Directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise the remuneration shall be deemed to accrue from day to day.
- 89.2 Any Director who is not the Chairman, an Executive Director or a Director appointed under Article 87(B) shall be entitled to an annual fee for his services subject to an annual review by the Board and payable quarterly in arrears either to the Director or at his request to such of his appointors as he shall nominate.

DIRECTORS' EXPENSES

- 90 The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of any class of Shares or debentures of the Company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

- 91 Subject to the provisions of the Act and the Articles the Directors may appoint one or more of their number to the office of Managing Director or to any other executive office under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of his ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to executive office shall terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of the contract of service between the Director and the Company.
- 92 The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word "Director" in the designation or title of any office or employment with the Company (other than the office of Managing or Joint Managing or Deputy or Assistant Managing Director) shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles.
- 93 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature of any extent of any material interest of his, a Director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

- (b) may be a Director or other officer of, or employed by or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) shall not by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

94 For the purposes of Article 93:-

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice of any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

- 95 The Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment within the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or with any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he holds such office of employment) contribute to any funds and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

- 96 Subject to the provisions of the Articles, the Directors may regulate their meetings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. With the approval of the Chairman, one Director appointed under Article 87(B) and one Executive Director (provided that in each case there is any such Director), a meeting so called may be cancelled or postponed.
- 97 (a) Meetings of the Board shall take place no less frequently than once every two calendar months. Not less than five clear days' notice shall be given of any meeting of the Board or of any committee as is referred to in Article 97(C) below and of any adjournment of any such meeting adjourned through want of a quorum. If a majority in number of the Directors agree to less frequent meetings of the Board and/or to a shorter period of notice, either generally or in relation to one or more particular categories of meeting or in relation to one or more particular meeting, then meetings of the Board may be called less frequently and/or such shorter period of notice as is so agreed shall apply, provided that the majority in number of the Directors who do so agree any such variation must include at least one Director appointed under Article 87(B) and one Executive Director provided

that in each case there is any such Director. All Board meetings shall take place in England save with such agreement as aforesaid.

(B) The following matters may not be discussed or resolved upon at a meeting of the Board or of any committee as is referred to in Article 97(C) below unless at least one Director appointed under Article 87(B) and at least one Executive Director (provided that in each case there is any such Director) are present:-

- (i) any such matter as is referred to in Clause 4.1 of the Shareholders Agreement;
- (ii) any matter specified in these Articles or the Shareholders Agreement which is stated to require the specific approval of or authority of the Board;
- (iii) any proposal to dismiss or appoint a Director of the Company;
- (iv) any proposal to allot or issue or agree to allot or issue or to grant any option over or any rights of conversion into any Share capital of the Company;
- (v) any proposal to convene a general meeting of the Company; and
- (vi) any proposal to delegate any matter to a committee of the Board.

Any resolution which is passed by the Board or such a committee as is referred to in Article 97(C) below and which relates to any matter set out above, shall, subject to Article 97(E) below, be void and of no effect unless the foregoing requirements of this Article 97(B) have been complied with or Special Notice has been given in respect of such matter.

For the purposes of this Article "Special Notice" shall be deemed to have been given in relation to a matter if notice has been given in the manner required by Article 97(D) specifying that such matter is to be discussed or resolved upon at such meeting.

- (c) The Board shall not be entitled to establish any Committee to deal with any of the matters set out in Article 97(B) above without the consent of both of the Directors appointed pursuant to Article 87(B) provided that there are such Directors. Article 82 shall apply as amended by this Article.
- (d) Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting, either prospectively or retrospectively. Special Notice shall be given in writing and shall be effective (and shall be deemed to be given) only when delivered to the address provided for such purpose provided from time to time by the respective Directors,

or (in the case of notice given by telex or facsimile transmission) when the correct answerback, if any, is indicated to the person sending such notice. Article 96 shall apply as amended by this Article.

- (e) Notwithstanding the foregoing provisions of this Article, no person dealing with the Company in good faith in reliance upon a copy or an extract, certified by an officer of the Company, of the Minutes of a meeting of the Board or of any such committee as is referred to in Article 97(C) above, and without notice of any defect or irregularity in the appointment of any Directors or (as the case may be) of any of the Shareholders of such committee or in the convening or holding of such meeting shall be affected thereby.
 - (f) Any such resolution as is referred to in Article 103 shall be valid only if the Directors or (as the case may be) the members of the committee concerned signing such resolution include at least one of the Directors appointed under Article 87(B) and one of the Executive Directors, in each case, if any.
- 98 Save as otherwise provided in the Articles, questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- 99 Save as otherwise provided in the Articles the quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. A person who holds office only as alternate for a Director shall, if his appointor is not present, be counted in the quorum.
- 100 Save as otherwise provided in the Articles, the continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number but if the number of Directors is less than the number fixed as the quorum the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 101 The Chairman of the Company shall be appointed and may be removed by the Board for such term, at such remuneration and upon such conditions as the Board thinks fit, but his appointment and terms thereof shall be subject to the Approval of the "D" Ordinary Shareholders and so long as the Institutional Investors hold at least 20 per cent. of the issued Ordinary Shares, the Approval of the Majority of Institutional Investors. The Chairman shall preside at every meeting of the Directors at which he is present. If the *Director holding the office of Chairman is unwilling to preside or is not present within five minutes after the time appointed for the meeting*, the Directors present may appoint one of their number to be chairman of the meeting.
- 102 Subject to Article 97, all acts done by a meeting of Directors, or a committee of Directors, or by a person acting as a Director shall, notwithstanding that it afterwards be discovered that there was a defect in the appointment of a Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

- 103 Subject to Article 97, a resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or, as the case may be, a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by the appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity provided that any such resolution as is referred to in this regulation shall be valid only if the Directors or (as the case may be) the members of the committee concerned signing such resolution include at least one of the Directors appointed under Article 87(B) and one of the Executive Directors, in each case, if any.
- 104 Save as otherwise provided by the Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly any interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:-
- (a) the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
 - (b) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
 - (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any Shares, debentures or other securities of the Company or any of its subsidiaries or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of any offer of any such Shares, debentures or other securities by the Company or any of its subsidiaries for subscription, purchase or exchange;
 - (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes;
 - (e) the resolution relates to any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme to enable the employees including full-time executive Directors of the Company and/or any subsidiary to acquire Shares of the Company or any arrangement for the benefit of employees of the Company or any of its subsidiaries under which the Director benefits in a similar manner to employees;
 - (f) the resolution relates to any contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which he may benefit.

For the purposes of this Article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

- 105 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 106 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of the Directors or of a committee of Directors.
- 107 Where proposals are under consideration concerning the appointment of two or more Directors to offices of employment with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (providing he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 108 If the question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

SECRETARY

- 109 Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

MINUTES

- 110 The Directors shall cause minutes to be made in books kept for the purpose:-
- a) of all appointments of officers made by the Directors; and
 - b) of all proceedings at meetings of the Company, of the holders of any class of Shares in the Company, and of the Directors and of committees of Directors including the names of the Directors present at each such meeting

SEALS

- 111.1 The Common Seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Common Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director. The authority of the Directors or the committee of Directors authorised by the Directors for the affixing of the Common Seal may be of a general nature and need not apply only to specific documents or transactions.

- 111.2 The Directors may exercise the powers conferred on the Company by Section 40 of the Act with regard to having an official seal solely for sealing documents creating or evidencing securities of the Company. Any such documents to which such official seal is affixed need not be signed by any person.

DIVIDENDS

- 112 Subject as otherwise provided in the Articles (in particular in Article 113) and to the provisions of the Act the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Shareholders, but no dividends shall exceed the amount recommended by the Directors.
- 113 Subject as aforesaid, the "A" Ordinary Shareholders, the "D" Ordinary Shareholders and the "E" Ordinary Shareholders shall be entitled pro-rata in respect of each financial year of the Company to such dividend as the Company may determine to distribute in accordance with the provisions of the Act.
- 114 Subject as herein otherwise provided (and in particular in Article 113) and to the provisions of the Act, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution and if the Share capital is divided into different classes the Directors may pay interim dividends on Shares which confer deferred or non-preferred rights with regard to dividend as well as on Shares which confer preferential rights with regard to the interim, but no interim shall be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividends payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any Shares having deferred or non-preferred rights.
- 115 Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividends as from a particular date, that Share shall rank for dividend accordingly.
- 116 A general meeting declaring a dividend may, upon the recommendation of the Directors direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any Shareholder upon the footing of the value so fixed in order to adjust the rights of Shareholders and may vest any assets in trustees.
- 117 Any dividend or other monies payable in respect of a Share may be paid by cheque sent by post to the registered address of the person entitled or by credit transfer to the bank account of the person entitled or, if two or more persons are the holders of the Shares or

jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address or bank account (as the case may be) of that one of those persons who is first named in the register of Shareholders or to such person or to such address or account as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque or the making of the transfer (as the case may be) shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a Share as aforesaid may give receipts for any dividend or other monies payable in respect of the Share.

- 118 No dividend or other monies payable in respect of a Share shall bear interest against the Company unless otherwise provided by the rights attached to the Shares.
- 119.1 Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.
- 119.2 Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

ACCOUNTS

- 120 No Shareholder shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company.

CAPITALISATION OF PROFITS

- 121 Subject as otherwise herein provided the Directors may with the authority of an ordinary resolution of the Company:-
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sums standing to the credit of the Company's Share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the Shareholders who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying the amounts, if any, for the time being unpaid on any Shares held by them respectively, or in paying up in full unissued Shares or debentures of the Company of a nominal amount equal to that sum and allot the Shares or debentures credited as fully paid to those Shareholders, or as they may direct in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve and any profits which are available for distribution may, for the purposes of this Article, only be applied in paying up unissued Shares to be allotted to Shareholders credited as fully paid;

- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of Shares or debentures becoming distributable under this Article in fractions; and
- (d) authorise any person to enter on behalf of all of the Shareholders concerned into an agreement with the Company providing for the allotment to them respectively as fully paid, of any Shares or debentures to which they are entitled on such capitalisation, any agreement made under such authority being binding on all such Shareholders.

NOTICES

- 122 Any notice to be given to or by any person pursuant to the Articles shall be in writing, subject to the provisions of Article 97.
- 123 The Company may give any notice to a Shareholder either in person or by sending it by post in a pre-paid envelope addressed to the Shareholder at his registered address or by leaving it at that address. In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the register of Shareholders in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A Shareholder whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Shareholder shall be entitled to receive any notice from the Company.
- 124 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 125 Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the register of Shareholders, has been duly given to a person from whom he derives his title.
- 126 Proof that an envelope containing notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to have been given at the expiration of 48 hours after the envelope containing it was posted.
- 127 A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a Shareholder, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

AUTHENTICATION OF DOCUMENTS

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

WINDING UP

- 129 If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trust for the benefit of the Shareholders as he with the like sanction determines, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

- 130.1 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise) in relation to the Company or its affairs provided that such indemnity shall not apply in respect of any liability incurred by him:
- (i) to the Company or to any associated company; or
 - (ii) to pay a fine imposed in criminal proceedings; or
 - (iii) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);
or
 - (iv) in defending any criminal proceedings in which he is convicted; or
 - (v) in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or

- (vi) in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely:
 - (a) section 144(3) or (4) of the Act (acquisition of shares by innocent nominee); or
 - (b) section 727 of the Act (general power to grant relief in case of honest and reasonable conduct).
- 130.2 In article 130.1(iv), (v) or (vi) the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:
 - (i) if not appealed against, at the end of the period for bringing an appeal, or
 - (ii) if appealed against, at the time when the appeal (or any further appeal) is disposed of.
- 130.3 In article 130, "associated company", in relation to the Company, means a company which is a subsidiary of the Company, or a holding company of or a subsidiary of any holding company of the Company.
- 130.4 Without prejudice to article 130.1 or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the board may in its absolute discretion think fit, the board shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 144(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 727 of the Act (general power to grant relief in case of honest and reasonable conduct) or to enable a director to avoid incurring any such expenditure.
- 130.5 Where at any meeting of the board or a committee of the board any arrangement falling within paragraph 130.4 above is to be considered, a director shall be entitled to vote and be counted in the quorum at such meeting unless the terms of such arrangement confers upon such director a benefit not generally available to any other director. In that event, the interest of such director in such arrangement shall be deemed to be a material interest for the purposes of article 104 and he shall not be so entitled to vote or be counted in the quorum.
- 130.6 To the extent permitted by the Act, the board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:
 - (i) a director, alternate director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or
 - (ii) trustee of a retirement benefits scheme or other trust in which a person referred to in sub-paragraph 130.6(i) above is or has been interested,

indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.