

The Companies Act 1985

PUBLIC COMPANY LIMITED BY SHARES

ORDINARY RESOLUTIONS

OF

NEWCASTLE UNITED PLC

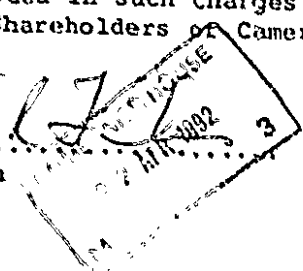
Passed the 16th April 1992

At an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened and held at St. James' Park, Newcastle upon Tyne, NE1 4ST, on the 16th day of April 1992, the following Resolutions were passed as ORDINARY RESOLUTIONS of the Company, namely:-

ORDINARY RESOLUTIONS

1. That the borrowing by Newcastle United Football Company, Limited (which is a wholly owned subsidiary of the Company) of up to £1,000,000 from Cameron Hall Developments Limited on terms that such loan shall bear interest at the Barclays Bank PLC Base Rate in force from time to time and shall be repayable on demand be hereby approved, ratified and confirmed notwithstanding that such borrowing is and will be in excess of the limit imposed by Article 87 of the Articles of Association of the Company.
2. That the granting of a Fixed Charge or Fixed Charges by Newcastle United Football Company, Limited over certain of its present and future debts by way of security for repayment of such borrowings of up to £1,000,000 be hereby approved, and accordingly that the execution of a Charge dated the 19th March 1992 between Newcastle United Football Company, Limited (1), Cameron Hall Developments Limited (2) and Barclays Bank PLC (3) in the form produced to this Meeting and initialled by the Chairman for the purpose of identification, together with the execution of further such Charges in a similar form as may from time to time be required, be hereby approved, ratified and confirmed notwithstanding that Sir John Hall and Mr. Douglas Stuart Hall, being Directors of the Company, are interested in such Charges by reason of the fact that they are Directors and Shareholders of Cameron Hall Developments Limited.

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Chairman



THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

SUBSTITUTED

ARTICLES OF ASSOCIATION

(As at the 16th April 1992)

of

NEWCASTLE UNITED PLC

No. 2529667

INTERPRETATION

1. In these Articles:-

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|-----|-----------------------|--|
| 1.1 | "the Act" | means the Companies Act 1985 |
| | "the Acts" | means the Act and every other act for the time being in force concerning companies and affecting the Company |
| | "the Group" | means the Company and its subsidiaries (if any) |
| | "the Office" | means the Registered Office of the Company |
| | "the seal" | means the Common Seal of the Company |
| | "the securities seal" | means the official seal kept by the Company by virtue of Section 40 of the Act |
| | "secretary" | means any person appointed to perform the duties of the Secretary of the Company |

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"the United"
Kingdom"

means Great Britain and
Northern Ireland

- 1.2 Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.
 - 1.3 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Acts.
 - 1.4 Subject to paragraph 1.3 above, references to any statute or statutory provision shall be construed as including any statutory modification or re-enactment thereof.
2. No regulations for management of a company set out in the Schedule to any statute or in any statutory instrument concerning companies shall apply to the Company but the following shall be the Articles of Association of the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

3. The authorised share capital at the date of the adoption of these Articles of Association is £10,000,000 divided into 20,000,000 ordinary shares of 50p each.
4. Subject to the provisions of the Acts and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
5. Subject to the provisions of the Acts any preference shares may, with the sanction of an ordinary resolution, be issued on terms that they are, or at the option of the Company are liable, to be redeemed.
6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be altered or abrogated if:-
 - 6.1 the holders of three quarters in nominal value of the issued shares of that class consent in writing to that variation; or
 - 6.2 an extraordinary resolution passed at a separate general meeting of that class sanctions the variation.

To every such separate general meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any meeting of such holders adjourned for want of a quorum one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum and for this purpose one holder present in person or by proxy may constitute a meeting.

7. Subject to the provisions of the Acts the directors shall be entitled to exercise all the powers of the Company to allot shares and other securities including relevant securities as defined in the Act. They may accordingly, without prejudice to the generality of the foregoing, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of the same to such persons (including the directors themselves) on such terms and at such times as they may think proper, provided that no shares shall be issued at a discount.
8. Subject to the provisions of the Acts the Company may purchase any of its own shares (including any redeemable shares).
9. The Company may exercise the powers of paying commissions conferred by Sections 97 and 98 of the Act, provided that the rate per cent. or the amount of the commission paid or agreed to be paid, shall be disclosed in the manner required by the said Section 97. The Company may also on any issue of shares pay such brokerage as may be lawful.
10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
11. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

12. Every share certificate shall be issued under the seal or under the securities seal or, if the Directors so resolve,

issued in such other manner as may be permitted by law and shall specify the number and class and the distinguishing number (if any) of the shares to which it relates and the amount paid up thereon. No certificate shall be issued relating to shares of more than one class.

- 13.1. Every person whose name is entered as a member in the Register of Members shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares. Every certificate shall be under the seal or the securities seal or, if the Directors so resolve, issued in such other manner as may be permitted by law and shall specify the shares to which it relates and the amount paid up thereon. Provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 13.2 Any member who sells part of his holding of shares in the Company shall be entitled to a certificate for the balance of his holding without charge.
14. 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 the payment of any out-of-pocket expenses of the Company of investigating evidence as the directors think fit and in the case of defacement, on delivery up of the old certificate.

LIEN

15. 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 in respect of that share but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
16. The Company may sell, in such manner as the directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

17. To give effect to any such sale the directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
18. The net proceeds of the sale shall be received by the Company and applied, after payment of the costs of such sale, in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

19. The directors may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether or not by the conditions of the allotment thereof made payable at fixed times) and each member shall (subject to receiving at least fourteen days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the directors may determine.
20. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may be required to be paid by instalments.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 15 per cent. per annum as the directors may determine, but the directors shall be at liberty to waive payment of such interest wholly or in part.
23. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
24. The directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and

kind of persons.

25. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 15 per cent. per annum as may be agreed between the directors and the member paying such sum in advance.

TRANSFER OF SHARES

26. The instrument of transfer of any share shall be executed by or on behalf of the Transferor and, in the case only of a partly-paid share, the Transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
27. Subject to such of the restrictions of these Articles as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the directors may approve.
28. The directors may in their absolute discretion and without assigning any reason therefor refuse to register the transfer of any share not being a fully-paid share.

The directors may also refuse to register any instrument of transfer unless:-

- 28.1 the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- 28.2 the instrument of transfer is in respect of only one class of share; and
- 28.3 in the case of a transfer to joint holders, the number of joint holders does not exceed four.
29. The directors shall refuse to register any instrument of transfer if either :-
- 29.1 registration of the instrument of transfer would result in either the Transferor or the Transferee being the registered holder of less than one hundred shares in the capital of the Company; or
- 29.2 registration of the instrument of Transfer would result in the Transferee being the registered holder of more than 10% of the issued share capital of the Company; or

29. It appears to the directors that registration of the instrument of transfer could result in the Transferee (together with all other shareholders acting in concert with him within the meaning of the City Code on Takeovers and Mergers) being in aggregate the registered holders of more than 10% of the issued share capital of the Company or (if together they are already in aggregate the registered holders of more than 10% of the issued share capital of the Company) increasing the total of their aggregate shareholdings. If any one or more of the directors is or are of the opinion that this Article may be applicable to an instrument of transfer then before registering the same the directors shall require from the Transferor a statutory declaration as to the circumstances of the transfer confirming that the relevant instrument of transfer is not subject to the provisions of this Article.
30. If the directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the Transferee notice of the refusal.
31. The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Company shall be entitled to retain the instrument of transfer.
32. No fee shall be charged by the Company on the registration of any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, stop notice, court order or other instrument.
33. The Company shall be entitled to destroy:-
- 33.1 any instrument of transfer which has been registered, at any time after the expiration of six years from the date of registration thereof;
 - 33.2 any dividend mandate or any variation or cancellation thereof or any notification of change of address, at any time after the expiration of two years from the date of recording thereof;
 - 33.3 any share certificate which has been cancelled, at any time after the expiration of one year from the date of such cancellation; and
 - 33.4 any other document on the basis of which any entry in the Register is made, at any time after the expiration of six years from the date an entry in the Register was first made in respect of it;

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

Provided always that:-

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

TRANSMISSION OF SHARES

- 34. In case of the death of a member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in his shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 35. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the Transferee thereof, but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
- 36. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing in favour of that person a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right of transfer and the registration of transfers of

shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

37. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided always that the directors may at any time give notice requiring such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

38. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
39. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) by which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited. The directors may accept the surrender of any share liable to be forfeited hereunder and in such cases references to forfeiture shall include surrender.
40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.
41. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.
42. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received

payment in full of all such monies in respect of the shares.

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

UNTRACED MEMBERS

45. The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:-

45.1 either:-

45.1.1 during the period of 6 years prior to the date of publication of the advertisements referred to in Article 45.2 below (or, if published on different dates, the later thereof) all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed and the Company shall not have received indication either of the whereabouts or the existence of such member or person;

or

45.1.2 The Directors have sent notice to a member or person at his address as stated in the Register of Members by recorded delivery post on not less than three occasions (at intervals of not less than 6 months) within any period of two years, informing such member or person that the directors will or may apply the provisions of this Article 45 if no reply is received from him within the period of one month following the date of such notice and the

Company shall have received no indication either of the whereabouts or the existence of such member or person; and

- 45.2 the Company shall on expiry of the period of 6 years referred to in Article 45 1.1 or one month after the third notice pursuant to Article 45 1.2 have inserted advertisements, both in a leading Newcastle upon Tyne newspaper and (if different) in a newspaper circulating in the area of the address at which service of notice on such member or other person may be effected in accordance with these Articles, giving notice of its intention to sell the said shares; and
- 45.3 during the period of 3 months following the date of publication of the said advertisements (or, if published on different dates, the later thereof) the Company shall have not received indication either of the whereabouts or the existence of such member or person.

To give effect to any such sale the directors may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer of the said shares be as effective as if it had been executed by the Registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the directors may from time to time think fit.

CONVERSION OF SHARES INTO STOCK

46. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.
47. The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations, as those subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and

the directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

48. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
49. Such of these Articles of Association as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

ALTERATION OF CAPITAL

50. The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe. The new shares shall be subject to the provisions of these Articles of Association as to lien, calls, forfeiture, transfer, transmission and otherwise.
51. The Company may by ordinary resolution:-
- 51.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - 51.2 sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject nevertheless to the provisions of the Acts;
 - 51.3 cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Whenever as a result of any consolidation of shares any members would become entitled to fractions of a share, the directors may for the purpose of eliminating such fractions sell the shares representing the fractions for the best price reasonably obtainable and distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares, and for the purpose of any such sale the directors may authorise some person to transfer the shares representing the fractions to the purchaser thereof, whose name shall thereupon be entered in the Register of Members as the holder of the shares, and who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any

irregularity or invalidity in the proceedings in reference to the sale.

52. Subject to the provisions of the Acts the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

GENERAL MEETINGS

53. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the directors shall appoint.
54. All general meetings other than annual general meetings shall be called extraordinary general meetings.
55. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 368 of the Act. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

56. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting called for the passing of a special resolution shall be called by fourteen days notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of that meeting, and in the case of special business, the general nature of business, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles of Association, entitled to receive such notices from the Company:

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:-

- 56.1 in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

56.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

57. The accidental omission to give notice of a meeting to or send an instrument of proxy to, or the non-receipt of such a notice or instrument by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

58. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring, and (where special notice is not required by the Acts), the appointment of, and the fixing of the remuneration of, the auditors.
59. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, ten members present in person or by proxy shall be a quorum.
60. If within ten minutes (or such longer time not exceeding one hour as the chairman may decide) from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
61. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company or, if there is no such chairman or he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall elect one of their number to be chairman of the meeting.
62. If at any meeting 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 members present and entitled to vote shall choose one of their number to be chairman of the meeting.
63. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting),

adjourn the meeting from time to time and from place to place. but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

64. Each director shall be entitled to attend and speak at any general meeting of the Company.
65. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-
 - 65.1 by the chairman; or
 - 65.2 by at least three members present in person or by proxy; or
 - 65.3 by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - 65.4 by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

66. Except as provided in Article 68, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
67. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
68. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll

demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

VOTES OF MEMBERS

69. Subject to any special rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each fully-paid share of which he is the holder.
70. In the case of joint holders only the first named holder, as determined by the order in which the names stand in the Register of Members, shall be entitled to attend and vote at general meetings of the Company, but such first named holder shall be entitled to attend and vote at general meetings either in person or by proxy.
71. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by the court. Any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy.
72. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
73. No member shall, unless the directors otherwise determine, be entitled in respect of shares held by him to vote at any general meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and he is in default in supplying to the Company the information thereby required within the period of twenty eight days from the date of service of such notice. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.
74. 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 given or tendered, and every vote not disallowed at such meeting shall be valid for all

purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

75. On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
76. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the Company.
77. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
78. Instruments of proxy shall be in any common form or in such other form as the directors may approve and the directors may, if they think fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on a poll in respect of any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit but shall not confer any further right to speak at the Meeting (except with the permission of the Chairman of the Meeting). The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity, or revocation as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

80. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company and the person so authorised shall

be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

81. Unless and until the Company in general meeting shall otherwise determine, the number of directors shall be not less than four nor more than eight.
82. The qualification for a director shall be the holding of not less than 10,000 shares in the Company. A director may act before acquiring his qualification but he must acquire his qualification within two months of being appointed a director. If a director shall fail to obtain or maintain his qualification he shall automatically cease to hold office in accordance with the provisions of Section 291 of the Act.
83. The directors shall be entitled to receive by way of fees for their services in each year such sum as the Company in general meeting shall by resolution from time to time determine. Such fees shall be divided among the directors as they may themselves determine by agreement, or failing such determination, equally, except that in such event any director holding office for less than the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he has held office.
84. Each director may also be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the directors or committees of directors or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a director. Any director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the directors go beyond the ordinary duties of a director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the directors may determine.
85. The directors may establish and maintain pension or superannuation funds for the benefit of, or give donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of or associated with the Company, or who are or were at any time directors or officers of the Company holding or who have held any salaried employment or office in the Company, and the families and dependants of any such persons provided that no pension, annuity or other allowance or benefit shall be granted to a director or former director who has not been an executive director or held any other office or place of profit under the Company or any of its subsidiaries (or to a person who has no claim on the Company except as a relation, connection or dependant of such a director or former director) without the approval of an

ordinary resolution of the Company. A director or former director shall not be accountable to the Company or the members for any benefit of any kind so conferred and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

86. A director of the Company may be or become a director or other officer of, or otherwise interested in, any body corporate promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other body corporate unless the Company otherwise directs.

BORROWING POWERS

87. The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

POWERS AND DUTIES OF DIRECTORS

88. The business of the Company shall be managed by the directors, who may exercise all such powers of the Company as are not, by the Acts or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these Articles, to the provisions of the Acts and such regulations, being not inconsistent with the aforesaid Articles or provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.
89. The directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for the purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these regulations) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the directors may delegate to the person in whom the benefit of such mortgage or security is for the time being vested, or to any person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of monies becoming due in respect of calls so made and to give valid receipts for the same, and the power so delegated shall subsist during the continuance of the mortgage or other security, notwithstanding any change of directors, and shall be assignable if expressed so to be,

90. The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and such powers shall be vested in the directors.
91. The Company may exercise the powers conferred upon the Company by the Acts with regard to the keeping of an overseas or local or other register in any place, and the directors may make and vary such regulations as they may think fit respecting the keeping of any such register.
92. The Company may exercise the powers conferred by Section 40 of the Act with regard to having an official seal for sealing and evidencing securities, and such powers shall be vested in the directors.

DIRECTORS' INTERESTS

93. A director who is in any way, whether directly or indirectly, interested in a contract transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the directors in accordance with the Acts. For the purpose of these Articles a director shall be taken to be interested in such a contract, transaction or arrangement if any connected person as defined in the Acts is so interested.
94. A director shall not vote in respect of any contract or arrangement in which he is interested (other than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company), and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall apply to:-
 - 94.1 the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request or for the benefit of the Company or any of its subsidiaries;
 - 94.2 the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in

part under a guarantee or indemnity or by the giving of security;

- 94.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- 94.4 any proposal concerning any other body corporate in which he is interested directly or indirectly whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent or more of any class of the equity share capital of such body corporate (or of any third body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate;
- 94.5 any proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by the Board of Inland Revenue for taxation purposes;
- 94.6 if any question shall arise at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other director shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned has not been fairly disclosed and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Company in general meeting.
- 94.7 Any proposal concerning the purchase and/or maintenance of any policy of insurance against liability for negligence, default, breach of duty or breach of trust in relation to the Company under which he may benefit.
95. Subject to Section 319 of the Act a director may hold any other office or place of profit under the Company, except that of auditor, in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the directors may

arrange. Any such remuneration shall be in addition to any remuneration provided for by any other Article. No director or intending director shall be disqualified by his office from entering into any contract, arrangement, transaction or proposal with the Company either with regard to his tenure of any office or place of profit or as a vendor, purchaser or otherwise. Subject to the provisions of the Act and save as therein provided no such contract, arrangement, transaction or proposal entered into by or on behalf of the Company in which any director or person connected with him is in any way interested, whether directly or indirectly, shall be liable to be avoided, nor shall any director who enters into any such contract, arrangement, transaction or proposal or who is so interested be liable to account to the Company for any profit realised by any such contract, arrangement, transaction or proposal by reason of such director holding that office or of the fiduciary relationship thereby established, but he shall declare the nature of his interest in accordance with Section 317 of the Act.

96. Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the Company.
97. 97.1 No director's service contract may provide for his employment to continue or to be capable of being continued otherwise than at the instance of the Company (whether under the original agreement or under a new agreement entered into in pursuance of the original agreement) for a period exceeding five years during which the employment cannot be terminated by the Company by notice, or can be so terminated only in specified circumstances, without the approval of the Company in general meeting.
- 97.2 Where a person is or is to be employed with the Company under an agreement which cannot be terminated by the Company by notice or can be so terminated only in specified circumstances and, more than six months before the expiration of the period for which he is or is to be so employed, the Company enters into a further agreement (otherwise than in pursuance of a right conferred by or under the original agreement on the other party to it) under which he is to be employed with the Company or within the Group, Paragraph 97.1 of this Article shall apply as if to the period for which he is to be employed under that further agreement there were added a further period equal to the unexpired period of the original agreement.

- 97.3 A resolution of the Company giving the approval required above shall not be passed at a general meeting of the Company unless a written memorandum setting out the proposed agreement incorporating the term is available for inspection by members of the Company both at the Office, for not less than the period of 15 days ending with the date of the meeting, and at the meeting itself.
98. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested, such proposals may be divided and considered in relation to each director separately. In such case each of the directors concerned (if not by the proviso to Article 94.4 or otherwise debarred from voting) shall be entitled to vote and to be counted in the quorum in respect of each resolution except that concerning his own appointment.
99. All cheques, promissory notes, drafts, bills of exchange and other instruments whether negotiable or transferable or not, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.
100. The directors shall cause minutes to be made in books provided for the purpose:-
- 100.1 of all appointments of officers made by the directors;
 - 100.2 of the names of the directors present at each meeting of the directors and of any committee of the directors; and
 - 100.3 of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors.

DISQUALIFICATION OF DIRECTORS

101. The office of director shall be vacated if the director:-
- 101.1 ceases to be a director by virtue of the Acts; or
 - 101.2 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - 101.3 becomes prohibited from being a director by reason of any order of the Court; or
 - 101.4 becomes incapable by reason of mental disorder within the meaning of the Mental Health Act 1959 or

any re-enactment thereof of discharging his duties as a director; or

- 101.5 resigns his office by notice in writing to the Company;
- 101.6 shall for more than six months have been absent (without permission of the directors) from meetings of the directors held during that period; or
- 101.7 fails to acquire or maintain h's share qualification pursuant to Article 82.

- 102. Section 293 of the Act, regarding the appointment and retirement of directors who have attained the age of 70, shall not apply to the Company.

ROTATION OF DIRECTORS

- 103. At the annual general meeting of the Company in every year one-third of the directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office.
- 104. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 105. A retiring director shall be eligible for re-election.
- 106. The Company, at the meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.
- 107. No person other than a director retiring at the meeting shall unless recommended by the directors be eligible for election to the office of director at any general meeting unless not less than seven nor more than twenty one days before the date appointed for the meeting there shall have been left at the Office notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.
- 108. The directors shall have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing

directors. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

109. The Company may by ordinary resolution, of which special notice has been given in accordance with Section 379 of the Act, or by Special Resolution remove any director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the Company.
110. The Company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding Article, and without prejudice to the powers of the directors under Article 108 the Company in general meeting may appoint any person to be a director either to fill a casual vacancy or as an additional director. A person appointed in place of a director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected as a director.

PROCEEDINGS OF DIRECTORS

111. The directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.
112. Reasonable notice of every directors' meeting shall be given to every director present in the United Kingdom. Without prejudice to the foregoing, notice shall be deemed to be duly given to a director if it is given to him personally or by word of mouth whether or not over the telephone 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 may waive notice of any meeting either prospectively or retrospectively.
113. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be three.
114. The continuing directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of directors, the continuing directors

or director may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

115. The directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.
116. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.
117. A committee may elect a chairman of its meetings but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.
118. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.
119. All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.
120. A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Such a resolution may be contained in one document or several documents in like form each signed by one or more of the directors.

MANAGING OR EXECUTIVE DIRECTORS

121. The directors may from time to time appoint one or more of their body to the office of managing or executive director for such period and on such terms as they think fit, and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. The appointment of such a director shall be automatically determined if he ceases from any cause to be a director.

122. A managing or executive director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may from time to time determine.
123. The directors may entrust to and confer upon a managing or executive director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

124. 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.
125. A provision of the Acts or of these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

THE SEAL

126. The directors shall provide for the safe custody of the seal and any securities seal and neither shall be used nor shall any document be executed by being signed by a Director and by the Secretary or by two Directors and be expressed (in whichever form of words) to be executed by the Company without the authority of the directors or of a committee of the directors authorised by the directors in that behalf. Every instrument to which either the seal or any securities seal shall be affixed shall be signed autographically by one director and the secretary or by two directors save that, as regards any certificates for shares or debentures or other securities of the Company, the directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

DIVIDENDS AND RESERVES

127. The Company in general meeting may by ordinary resolution declare dividends, but no dividend shall exceed:-
- 127.1 the amount recommended by the directors; or
- 127.2 the amount permitted by the Acts.
128. The directors may from time to time and subject to the Acts pay to the members such interim and fixed dividends as appear to them to be justified by the profits of the Company. No dividend or other monies payable on or in respect of a share shall bear interest as against the Company.

129. The directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.
130. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid pro rata according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
131. The directors may deduct from any dividend payable to any member any sums of money presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
132. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution the directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the directors.
133. The directors may, with the sanction of an ordinary resolution of the Company offer the holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of cash in respect of such dividend or dividends as are specified by such resolution. In any such case the following provisions shall apply:-

- 133.1 The basis of allotment shall be determined by the directors so that, as nearly as may be considered convenient, the market value of the additional ordinary shares (including fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amount. For such purpose the market value of an ordinary share shall be such value as shall be determined by the Company's auditors.
- 133.2 If the directors determine to allow such right of election on any occasion they shall, after the basis of allotment shall have been determined under Article 133.1 above, give notice in writing to the ordinary shareholders of the right of election accorded to them and shall send, with or following such notice, forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective.
- 133.3 As regards ordinary shares in respect of which rights of election have been made available and duly exercised ("the elected ordinary shares"), the relevant dividend shall not be payable, and in lieu thereof additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purposes the directors shall capitalise, out of such sums standing to the credit of any of the Company's reserve accounts or the profit and loss account or otherwise available for distribution, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis, and shall apply the same in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis.
- 133.4 The additional ordinary shares so allotted shall rank pari passu in all respects with the fully-paid ordinary shares then in issue save only as regards participation in the relevant dividend (or share election in lieu).
- 133.5 The directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the directors to make such provisions as they think fit in the case of entitlement to fractions of shares (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The

directors may authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all such members.

133.6 The directors may on occasion determine that rights of election shall not be made available to any ordinary shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

134. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders may direct and payment of the cheque or warrant shall be a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other monies payable in respect of the shares held by them as joint holders.

135. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Company of any unclaimed dividend, interest or any other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

ACCOUNTING RECORDS

136. The directors shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Acts.

137. The accounting records shall be kept at the Office or, subject to the Acts, at such other place or places as the directors may think fit and shall always be open to inspection by the officers of the Company. No member (other than an officer of the Company) shall have any right of inspection of any accounting record or book or document of the Company except as conferred by law or authorised by the directors.

138. A printed copy of every Directors' Report accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditor's report, shall be sent to each person entitled thereto in accordance with the requirements of the Acts.

Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

139. The directors shall from time to time, in accordance with the Acts, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are thereby required.

CAPITALISATION OF PROFITS

140. The Company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution:

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid shares.

141. Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully-paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit in the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company

providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

AUDIT

142. Auditors shall be appointed and their audits regulated in accordance with the Acts.

RECORD DATE

143. Notwithstanding any other provision of these Articles, the Company or the directors 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 any dividend, distribution, allotment or issue is declared paid or made.

NOTICES

144. A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post, upon which such notice shall be deemed to have been received.
145. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
146. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within the United Kingdom supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

147. Notice of every general meeting shall be given in any manner hereinafter authorised to:-

147.1 every member except those members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;

147.2 every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and

147.3 the auditors for the time being of the Company.

No other person shall be entitled to receive notices of general meetings.

148. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by any notice in respect of such share which, before his name and address are entered in the register of members, shall have been duly given to the person from whom he derives his title to such share save in the case of a notice served pursuant to the provisions of Section 212 of the Act.

WINDING UP

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

INDEMNITY

150. Subject to the provisions of and so far as may be consistent with the Statutes, every director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with

his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him in as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.