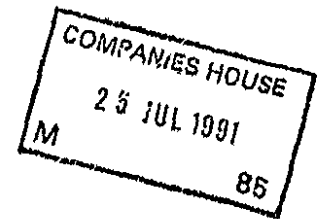


No of Company 2605319



The Companies Act 1985 - 1990

PRIVATE COMPANY LIMITED BY SHARES

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MEMORANDUM

and ARTICLES

OF ASSOCIATION OF

DERIVEROUND LIMITED

(Incorporated the 25th day of April 1991)

Grundy Kershaw  
& Bowdens  
SOLICITORS



THE COMPANIES ACT 1985 - 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

DERIVEROUND LIMITED

1. The Company's name is DERIVEROUND LIMITED
2. The Company's Registered Office will be situated in England and Wales
3. The Company's objects are:
  - (a) (i) To carry on all or any of the businesses of technical and advisory consultants in the fields of process, energy environmental technology and engineering; design and consultant engineers and engineering technicians, to design draw and supervise the making of and to act as consultants and specialists in planning and preparing drawings designs specifications and quotations for use in connection with the fields of process energy environmental technology and engineering; industrial designers and consultants, project planners and managers, specialists in detail drawing and tracing, to create, establish and maintain an organisation for the

provision of a drawing office service to customers and other engineers and contractors or for any other persons, firms or companies; designers, hire of electronic, electrical and general engineering equipment, plant, machinery, components and accessories, tools, jigs, dies and fixtures of all kinds, and general merchants, to commission measure and test (either alone or jointly with, or as sub-contractors for, any other companies or persons) works and installations of every description; and to buy, sell manufacture, repair, alter, manipulate and otherwise deal in vehicles, plant, machinery, fittings, furnishings and implements, tools, materials, products, articles and things capable of being used for the purpose of the foregoing businesses or any of them

- (ii) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company
- (b) To purchase or by any other means acquire and take options over any property whatever and any rights or privileges of any kind over or in respect of any property
- (c) To apply for register purchase or by other means acquire and protect prolong and renew whether in the United Kingdom or elsewhere any patents patent rights brevets d'invention licences secret processes trade marks designs protections and

concessions and to disclaim alter modify use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon testing and improving any patents inventions or rights which the Company may acquire or propose to acquire

- (d) To acquire or undertake the whole or any part of the business good will and assets of any person firm or company carrying on or proposing to carry on any of the business which the Company is authorised to carry on and as party of the consideration for such acquisition to undertake all or any of the liabilities of such person firm or company or to acquire an interest in amalgamate with or enter into partnership or into any arrangement for sharing profits or for co-operation or for mutual assistance with any such person

firm or company or for subsidising or otherwise assisting any such person firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares debentures debenture stock or securities that may be agreed upon and to hold and retain or sell mortgage and deal with any shares debentures debenture stock or securities so received

- (e) To improve manage construct repair develop exchange let on lease or otherwise mortgage charge sell dispose of turn to account grant licences options rights and privileges in respect of or otherwise deal with all or any part of the property and rights of the company

- (f) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made
- (g) To lend and advance money or give credit on any terms and with or without security to any person firm or company (including without prejudice to the generality of the foregoing any holding company subsidiary or fellow subsidiary of or any other company associate in any way with the Company) to enter into guarantees contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon any terms and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person firm or company (including without prejudice to the generality of the foregoing any such holding company subsidiary fellow subsidiary or associate company as aforesaid)
- (h) To borrow and raise money in any manner and to secure the repayment of any money borrowed raised or owing by mortgage charge standard security lien or other security upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital and also by a similar mortgage charge standard security lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it
- (i) To draw make accept endorse discount negotiate execute and

issue cheques bills of exchange promissory notes bills of lading warrants debentures and other negotiable or transferable instruments

- (j) To apply for promote and obtain any Act of Parliament order or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests
- (k) To enter into any arrangements with any government or authority (supreme municipal local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such government or authority any charters decrees rights privileges or concessions which the Company may think desirable and to carry out exercise and comply with any such charters decrees rights privileges and concessions
- (l) To subscribe for take purchase or otherwise acquire hold sell deal with and dispose of place and underwrite shares stocks debentures debenture stocks bonds obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world and debentures debenture stocks bonds obligations or securities issued or guaranteed by any other company constituted or carrying on

- business in any part of the world and debentures debenture stocks bonds obligations or securities issued or guaranteed by any government or authority municipal local or otherwise in any part of the world
- (m) To control manage finance subsidise co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest to provide secretarial administrative technical commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies
- (n) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of underwrite subscribe for or otherwise acquire all or any part of the shares or securities of any such company as aforesaid
- (o) To sell or otherwise dispose of the whole or any part of the business or property of the Company either together or in portions for such consideration as the Company may think fit and in particular for shares debentures or securities of any company purchasing the same

- (p) To act as agents or brokers and as trustees for any person firm or company and to undertake and perform sub-contracts
- (q) To remunerate any person firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient
- (r) To distribute among the Members of the Company in kind any property of the Company of whatever nature
- (s) To pay all or any expenses incurred in connection with the promotion formation and incorporation of the Company or to contract with any person firm or company to pay the same and pay commissions to brokers and others for underwriting placing selling or guaranteeing the subscription of any shares or other securities of the Company
- (t) To support and subscribe to any charitable or public object and to support and subscribe to any institution society or club which may be for the benefit of the Company or its Directors or employees or may be connected with any town or place where the Company carries on business; to give or award pensions annuities gratuities and superannuation or other allowances or benefits or charitable aid and generally to provide advantages facilities and services for any persons who are or have been Directors of or who are or have been employed by or who are serving or have served the Company or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company



or the predecessors in business of the Company or of any such subsidiary holding or fellow subsidiary company and to the wives widows children and other relatives and dependants of such persons; to make payments towards insurance; and to set up establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives widows children and any other relatives and dependants; and to set up establish support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained

- (u) Subject to an in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable) to give whether directly or indirectly any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act
- (v) To procure the Company to be registered or recognised in any part of the world
- (w) To do all or any of the things or matters aforesaid in any part of the work and either as principals agents contractors or otherwise and by or through agents brokers sub-contractors or otherwise and either alone or in conjunction with others

- (x) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them

AND so that:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object and none of such objects shall except where the context expressly so requires be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause or by reference to or inference from the terms of any sub-clause of this Clause or by reference to or inference from the name of the Company
- (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company
- (3) The word "Company" in this Clause except where used in reference to the Company shall be deemed to include any partnership or other body of persons whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere
- (4) In this Clause the expression "the Act" means the Companies Act 1985-1989 but so that any reference in this Clause to any

provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force

4. The liability of the Members is limited
5. The Company's share capital is £250,000 divided into 250,000 shares of £1 each

ARTICLES OF ASSOCIATION

THE COMPANIES ACTS 1985-1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

DERIVEROUND LIMITED

(adopted by Special Resolution passed on 9th May 1991)

PRELIMINARY

The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended so as to affect companies first registered on the date of the adoption of these Articles) shall, except as hereinafter provided and so far as not excluded by or inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or Articles of Association. References herein to regulations are to regulations in the said Table A unless otherwise stated

SHARE CAPITAL

- 2.1 The share capital of the Company at the date of the adoption of these Articles is £250,000 divided into 60,000 "S" Shares of £1 each and 60,000 "P" Shares of £1 each and 130,000 "F" Shares of £1 each. The said shares

- shall carry the respective voting rights and rights to appoint and remove Directors and be subject to the restrictions on transfer hereinafter provided but in all other respects shall be identical and rank pari passu
- 2.2 Any amendment to these Articles or to the Memorandum of Association shall be deemed to be a variation of the rights attached to the "S" Shares the "P" Shares and the "F" Shares

#### ISSUE AND PURCHASE OF SHARES

- 3 The authorised share capital of the Company shall consist only of "S" Shares of £1 each and "P" Shares of £1 each and "F" Shares of £1 each in the proportions 24 to 24 to 52 respectively. The issued share capital of the Company shall always consist of "S" Shares and "P" Shares and "F" Shares in such proportions
4. Subject to section 80 of the Companies Act 1985, all unissued shares shall be at the disposal of the Directors and section 89(1) of the Companies Act 1985 shall not apply, Unissued shares in the capital of the Company for the time being may however be issued only in such a manner as to maintain the proportions specified in Articles 3 above and so that on each occasion "S" Shares and "P" Shares and "F" Shares are issued at the same price and on the same terms as to payment and otherwise unless all the Members unanimously agree otherwise. After the first issue of shares made by the Directors, no share of any class shall be issued otherwise than to members holding shares of the same class except with the consent in writing of all the members
5. Except with the consent in writing of all the members, the powers conferred by Regulations 3 and 35 shall be exercised only in such a manner as to maintain the proportions specified in Articles 3 above. Regulations 3 and 35 shall be modified accordingly

## TRANSFER OF SHARES

6.1 Subject to the provisions of Regulation 24 any share may at any time be transferred:

6.1.1 to a member holding shares of the same class; or

6.1.2 by any corporate member to a company which has acquired in connection with a scheme of amalgamation or reconstruction the whole or the main part of the undertaking and assets of such member or to a Member of the Same Group; or

6.1.3 to any person with the consent in writing of all other members of the Company; or

6.1.4 to any person in accordance with the provisions of any agreement for the time being binding on all the members and the Company

6.2 If while it holds shares in the Company a Transferee ceases to be a Member of the Same Group as the Transferor from which (whether directly or by a series of transfers under paragraph 6.1.1 and/or paragraph 6.1.2 above) the Relevant Shares were derived it shall be the duty of the Transferee to notify all the other members in writing that such event has occurred and the Transferee shall be bound (except as all the other members may in writing otherwise determine) to transfer the Relevant Shares to the Transferor any such transfer being deemed to be authorised under the foregoing provisions of this Article, but subject to the provisions of Regulation 24

6.3 For the purposes of this Article:

6.3.1 "company" includes any body corporate;

6.3.2 "a Member of" means in relation to any company a company which the Same Group" is for the time being a holding company of that company or a subsidiary of that company or a

subsidiary of any holding company (as such terms are defined in the Companies Acts 1985-1989)

6.3.3 "Transferor" means a Member which has transferrred or proposes to transfer shares to a Member of the Same Group

6.3.4 "Transferee" means a company for the time being holding shares in consequence (directly or indirectly) of a transfer or series of transfers of shares between Members of the Same Group (the relevant Transferor in the case of a series of such transfers being the first Transferor in such series)

6.3.5 "the Relevant Shares" means and includes (so far as the same remain for the time being held by any person(s) being the holder(s) thereof on the adoption of these Articles or by any person(s) in consequence of a transfer or series of transfers of shares to such person(s) pursuant to paragraph 6.1 above) the shares originally held by or transferred to such person(s) and any additional shares issued to such person(s) by way of capitalisation or acquired by such person(s) in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred

6.4 Except in the case of a transfer expressly authorised by the preceding sub-clause or made in accordance with the procedure set out in Article 7 below no transfer of a share shall be registered without the sanction of an effective resolution of the Directors and if such sanction is not given

or refused within eight weeks after the transfer is lodged for registration the sanction shall be deemed to have been refused at the expiration of such period and the transferee shall be notified accordingly

7. Except in the case of a transfer of shares expressly authorised by the last preceding Article (a "Permitted Transfer") the right to transfer shares or to dispose of any shares or any interest in shares in the Company shall be subject to the following restrictions and provisions, namely:

7.1 Before transferring or disposing of any shares or any interest in any shares the person proposing to transfer or dispose of the same ("the Proposing Transferor") shall give a notice in writing (a "Transfer Notice") to the Company that he desires to transfer the same. The Transfer Notice shall constitute the Company his agent for the sale of the shares therein mentioned (together with all rights then attached thereto) at the Prescribed Price during the Prescribed Period to any member in the same capacity and subject to the same restrictions as his existing membership [ or to any other person selected or approved by the Directors] and shall not be revocable except with the consent of the Directors

7.2 If not more than one month before the date on which the Transfer Notice was given the Proposing Transferor and the Directors shall have agreed a price per share as representing the fair value thereof or as being acceptable to the Proposing Transferor then such price shall be the Prescribed Price (subject to the deduction therefrom of any dividend or other distribution declared or made after the agreement and prior to the said date). Otherwise upon the giving of the Transfer Notice the Directors shall request the



Auditors to determine and certify the sum per share considered by them to be the fair value thereof as at the said date and the sum per share so determined and certified shall be the Prescribed Price. The Auditors shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and in the absence of fraud the Auditors shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by the Auditors for the purposes thereof or in connection therewith

7.3 If the Prescribed Price was agreed as aforesaid prior to the said date the Prescribed Period shall commence on such date and expire three months thereafter. If the Prescribed Price was not so agreed the Prescribed Period shall commence on such date and expire three months after the date on which the Auditors shall have notified the Directors of their determination of the Prescribed Price pending which the Directors shall defer the making of the offer hereinafter mentioned

7.4 All shares included in any Transfer Notice shall first by notice in writing be offered by the Company to all members holding shares of the same class (other than the member to whose shares the Transfer Notice relates or any member who has given a Transfer Notice in respect of any shares or who is bound to give a Transfer in respect of his shares or any of them) for purchase at the Prescribed Price on terms that in case of competition the shares so offered shall (in accordance with but subject to the provisions of the next following paragraph) be sold to the acceptors in

proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of shares of the same class. Such offer shall limit a time (not being less than twenty-one days) within which it must be accepted or in default will lapse

- 7.5 Any shares not so accepted shall be offered by the Directors (in the case of "S" Shares) to the holders of "P" Shares and "F" Shares (other than if relevant the member to whose shares the Transfer Notice relates or any member who has given a Transfer Notice in respect of any shares or who is bound to give a Transfer Notice in respect of his shares or any of them) and (in the case of "P" Shares) to the holders of "S" Shares and "F" Shares (other than if relevant the member to whose shares the Transfer Notice relates or any member who has given a Transfer Notice in respect of any shares or who is bound to give a Transfer Notice in respect of his shares or any of them) and (in the case of "F" Shares) to the holders of "S" Shares and "P" Shares (other than if relevant the member to whose shares the Transfer Notice relates or any member who has given a Transfer Notice in respect of any shares or who is bound to give a Transfer Notice in respect of his shares or any of them) for purchase at the Prescribed Price in the same manner (*mutatis mutandis*) as set out in paragraph 7.4 above. Any shares not so accepted may be offered by the Directors to such persons as they may think fit for purchase at the Prescribed Price
- 7.6 If the Company shall within the Prescribed period find members or other such person as aforesaid ("Purchasers") to purchase the shares concerned or any of them and give notice in writing thereof

to the Proposing Transferor he shall be bound upon payment of the Prescribed Price to transfer such shares to the respective Purchasers. Every such notice shall state the name and address of the Purchaser and the number of shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the Directors not being less than three days nor more than ten days after the date of such notice. Provided that if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the shares concerned this paragraph shall not apply unless the Company shall have found Purchasers for the whole of such shares

7.7 If a Proposing Transferor shall fail or refuse to transfer any shares to a Purchaser hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser to be registered as the holder of such shares. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser (who shall not be bound to see to the application thereof)) and after the Purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person

7.8 If the Company shall not within the Prescribed Period find Purchasers willing to purchase all the shares and gives notice in writing thereof to the Proposing Transferor or if the Company shall within the Prescribed Period give to the Proposing Transferor notice in writing that the Company has no prospect of

finding Purchasers of shares or any of them the Proposing Transferor at any time thereafter up to the expiration of two months after the end of the Prescribed Period shall be at liberty (subject to the provisions of Regulation 24) to transfer those shares for which the Company has not within the Prescribed Period given notice that it has found (or has given notice that it has no prospect of finding) Purchasers to any person on a bona fide sale at any price not being less than the Prescribed Price (after deducting where appropriate any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Proposing Transferor). Provided that:

7.8.1 if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the shares concerned he shall not be entitled hereunder to transfer any of such shares unless in aggregate the whole of such shares are so transferred; and

7.8.2 the Directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction rebate or allowance whatsoever to the Purchaser and if not so satisfied may refuse to register the instrument of transfer

8. No share and no interest in any share shall be held by any member as a bare nominee for or sold or disposed of to any person unless a transfer of such share to such person would rank as a Permitted Transfer. If the foregoing provision shall be infringed or if the holder of any share shall die or being an employee of the Company or of its subsidiary ceases to be

so employed then the holder of such share shall be bound to give a Transfer Notice in respect thereof

- 9.1 For the purpose of ensuring that a transfer of shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder the Directors may from time to time require any member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose
- 9.2 In any case where the Directors have duly required a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of one month or such longer period as the Directors may allow for the purpose such Transfer Notice shall (except and to the extent that a Permitted Transfer of any of such shares shall have been lodged) be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the provisions of the Article relating to Transfer Notices shall take effect accordingly

#### PROCEEDINGS AT GENERAL MEETINGS

- 10.1 Save as herein otherwise provided the quorum at any General Meeting shall be three or more members present in person or by proxy including one person being or representing a holder of any of the "S" Shares and one person being or representing a holder of any of the "P" Shares and one person being or representing a holder of any of the "F" Shares. Regulation 40 shall be modified accordingly
- 10.2 If at any adjourned meeting such a quorum is not present within ten minutes from the time appointed for the adjourned meeting (or such longer interval as the chairman of the meeting may think fit to allow) the

meeting shall be dissolved except that if a meeting to consider a resolution or resolutions for the winding up of the Company and the appointment of a liquidator be adjourned for want of a quorum and if at such adjourned meeting such a quorum is not present within five minutes from the time appointed for the adjourned meeting any one or more members present in person or by proxy shall constitute a quorum for the purposes of considering and if thought fit passing such resolution or resolutions but no other business may be transacted. Regulation 41 shall be extended accordingly

11. In the case of a corporation a resolution in writing may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be extended accordingly

#### VOTES OF MEMBERS

12. On a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder; Provided that
  - 12.1 no shares of any class shall confer any right to vote upon a resolution for the removal from office of a Director appointed or deemed to have been appointed by holders of shares of another class; and
  - 12.2 if at any meeting any holder of shares is not present in person or by proxy the votes exercisable on a poll in respect of the shares or the same class held by members present in person or by proxy shall be pro tanto increased (fractions of a vote by any member being permitted) so that such shares shall together entitle such members to the same aggregate number of votes as could be cast in

respect of all the shares of that class if all the holders thereof were present. Regulation 54 shall not apply

13. An instrument appointing a proxy (and where it is signed on behalf of the appointor by an attorney the letter or power of attorney or a duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or if no place is so specified at the registered office) at least one hour before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of but in any event before the time appointed for holding the meeting or adjourned meeting or poll. An instrument of proxy shall not be treated as valid until such delivery shall have been effected. Regulation 62 shall not apply

#### NUMBER OF DIRECTORS

14. The maximum number of Directors shall be 4 or such other number as the Company may from time to time by Ordinary Resolution determine. The first Directors shall consist of one person who shall be designated as an "S" Director (and shall be deemed to have been appointed under Article 16 by the holders of the "S" Shares) and one person who shall be designated as a "P" Director (and shall be deemed to have been appointed under Article 16 by the holders of the "P" Shares) and two persons who shall be designated as "F" Directors (and shall be deemed to have been appointed under Article 16 by the holders of the "F" Shares). Regulation 64 shall not apply

#### ALTERNATE DIRECTORS

- 15.1 The holders of any one class of shares may at any time appoint any person (including another Director) to be the alternate Director of any Director of the relevant class and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 16 hereof. The same person may be appointed as the alternate Director of more than one Director. Regulations 65 to 68 shall not apply
- 15.2 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 the Director of whom he is the alternate ceases to be a Director
- 15.3 An alternate Director (whether or not he is absent from the United Kingdom) shall be entitled to receive notices of all meetings of the Directors and of all committees of Directors of which the Director of whom he is the alternate is a member to attend and vote and be counted in the quorum at any such meeting at which the Director of whom he is the alternate is not personally present and generally to perform all the functions of the Director of whom he is the alternate in his absence and the provisions of these Articles shall apply as if he were a Director of the relevant class. 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. Regulations 65 and 66 shall be varied accordingly

#### APPOINTMENT AND REMOVAL OF DIRECTORS

16. The holders of the "S" Shares may from time to time appoint one person to be a Director and the holders of the "P" Shares may from time to time appoint one person to be a Director and the holders of the "F" Shares



may from time to time appoint two persons to be Directors. In these Articles the expressions "S" Director "P" Director and "F" Director respectively designate Directors according to the class of shares holders of which have appointed or are deemed to have appointed them. The Directors shall not be subject to retirement by rotation. Regulations 73 to 80 shall not apply

17. The office of a Director shall be vacated in any of the events specified in Regulation 81 and also if he shall be removed from office by the holders of the relevant class of shares or shall in writing offer to resign and the Directors shall resolve to accept such offer
18. Any such appointment or removal by the holders of the relevant class of shares shall be in writing served on the Company and signed by the holders of the issued "S" Shares or "P" Shares or "F" Shares (as the case may be). In the case of a corporation such document may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative

#### REMUNERATION OF DIRECTORS

19. Any Director who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary commission or otherwise as the Directors may determine. Regulation 82 shall be extended accordingly

#### PROCEEDINGS OF DIRECTORS

20. The quorum at a meeting of Directors shall be three of which one shall be an "S" Director and one a "P" Director and one an "F" Director provided that if within half an hour of the time appointed for the holding of any meeting of the Directors either an "S" Director or a "P" Director or an

"F" Director shall not be present the Directors present shall resolve to adjourn that meeting to a specified place and time (which shall not be earlier than three nor later than seven days after the date originally fixed for the meeting). It shall be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. An alternate Director shall be counted in the quorum in the same capacity as his appointor but so that not less than three will constitute a quorum. Regulation 85 shall be varied accordingly and Regulation 89 shall not apply

21. No Director shall be appointed otherwise than as provided in these Articles. Regulation 90 shall be modified accordingly
22. A committee of the Directors shall include at least one "S" Director and one "P" Director and one "F" Director and the quorum for a meeting of any such committee shall throughout the meeting be at least one "S" Director and one "P" Director and one "F" Director
23. On any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 98 shall be modified accordingly
24. In Regulations 53 and 93 and these Articles "writing" shall be deemed to include photocopy telex facsimile telegram and other methods of reproducing or communicating writing in visible form
25. Any notice or other document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such member

at his registered address as appearing in the register of Members (whether or not such address is within the United Kingdom) or by delivering it to or leaving it at such registered address addressed as aforesaid or by any other means provided such other means have been authorised in writing by the Member concerned. In the case of joint holders of a share service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Any notice or other document served or delivered in accordance with these Articles shall be deemed duly served or delivered notwithstanding that the Member is then dead or bankrupt or otherwise under any legal disability or incapacity and whether or not the Company had notice of that fact. Any such notice or other document if sent by first-class post shall be deemed to have been served or delivered on the third day after the day when the same was put in the post and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed stamped and put in the post

26. Notice of every general meeting shall be given in any manner authorised by or under these Articles to all members other than such as under the provisions of these Articles or the terms of issue of the shares they hold are not entitled to receive such notices from the Company provided that any member may in writing waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him. Regulations 112, 115 and 116 shall not apply

#### CAPITALISATION OF PROFITS AND RESERVES

27. The Directors may with the sanction of a Special Resolution of the Company capitalise any sum standing to the credit of any of the Company's reserve

accounts' (including Share Premium Account and Capital Redemption Reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of "S" Shares and "P" Shares and "F" Shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and:

- 27.1 on behalf of the "S" Shares applying that part of such sum distributable amongst them in paying up in full unissued "S" Shares for allotment and distribution credited as fully paid up to and amongst them; and
- 27.2 on behalf of the "P" Shares applying that part of such sum distributable amongst them in paying up in full unissued "P" Shares for allotment and distribution credited as fully paid up to and amongst them; and
- 27.3 on behalf of the "F" Shares applying that part of such sum distributable amongst them in paying up in full unissued "F" Shares for allotment and distribution credited as fully paid up to and amongst them

in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation with full power to the Directors to make such provisions as they think fit for the case of shares becoming distributable in fractions (including provisions whereby 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 interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made

under such authority shall be effective and binding on all concerned.

Regulation 10 shall not apply

#### INDEMNITY

28. Subject to the provisions of and so far as may be permitted by law every Director Auditor Secretary or other officer of the company shall be entitled to be indemnified by the company against all costs charges losses expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings civil or criminal which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the company and in which judgment is given in his favour (or the proceedings 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. Regulation 118 shall not apply

The regulations of Table A to the Companies Act 1985 apply to the Company save in so far as they are not excluded or varied by its Articles of Association

Table A as prescribed by the Companies (Tables A to F) Regulations 1985 (S.I. 1985 No. 805), amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (S.I. 1985 No. 1052), is reprinted below.

# Table A THE COMPANIES ACT 1985

## Regulations for Management of a Company Limited by Shares

### INTERPRETATION

1. In these regulations —

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

'the articles' means the articles of the company

'clear days' in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect

'executed' includes any mode of execution

'office' means the registered office of the company

'the holder' in relation to shares means the member whose name is entered in the register of members as the holder of the shares

'the seal' means the common seal of the company

'secretary' means the secretary of the company or any other person appointed to perform the duties of the secretary of the company including a joint, assistant or deputy secretary

'the United Kingdom' means Great Britain and Northern Ireland

Unless the context otherwise requires words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company

### SHARE CAPITAL

2. Subject to the provisions of the Act 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

3. Subject to the provisions of the Act 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

4. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act 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

5. 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 holder

### SHARE CERTIFICATES

6. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class 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 seal 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 delivery of a certificate to one joint holder shall be deemed delivery to all of them

7. If a 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

8. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) 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 regulation. The company's lien on a share shall extend to any amount payable in respect of it

9. 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 fourteen 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 shares may be sold

10. 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

11. 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 moneys 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

12. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen 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 be made before receipt by the company of any sum due thereunder be revoked in whole or part and payment of a call may be postponed in whole or 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 of which the call was made

13. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed

14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

15. 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 the rate fixed at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part

16. 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

17. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares

18. 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 fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payments are 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

19. 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 moneys payable in respect of the forfeited shares and not paid before the forfeiture

20. Subject to the provisions of the Act a forfeited share may be sold, re-allotted 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 holder or to any other person and at any time before sale, re-allotment 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

21. A person any of whose shares have been forfeited shall cease to be a member 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 moneys 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 moneys 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

22. 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

### TRANSFER OF SHARES

23. 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

24. 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

(b) it is in respect of only one class of shares; and

(c) it is in favour of not more than four transferees

25. 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

26. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine

27. 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

28. 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

29. If a member 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 persons recognised by the company as having any title to his interest, but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him

32. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may require, elect either to become the holder of the share 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 member and the death or bankruptcy of the member had not occurred.

33. A person becoming entitled to a share in consequence of the death or bankruptcy of a member 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 the holder of the share be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

## ALTERATION OF SHARE CAPITAL

34. The company may by ordinary resolution—  
(a) increase its share capital by new shares of such amount as the directors may direct;  
(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 its share capital by the amount of the shares so cancelled.

35. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may on behalf of those members 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 sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the direction 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 or invalidity of the proceedings in reference to the sale.

36. Subject to the provisions of the Act 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

37. Subject to the provisions of the Act 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

38. All general meetings other than annual general meetings shall be called extraordinary general meetings.

39. The directors may call general meetings and on the requisition of members 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 member of the company may call a general meeting.

## NOTICE OF GENERAL MEETINGS

40. 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 members entitled to attend and vote thereat; and  
(b) in the case of any other meeting by a majority in number of the members 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 the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

41. 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

42. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

43. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

44. 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 such other director (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 their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

45. 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 members present and entitled to vote shall choose one of their number to be chairman.

46. A director shall notwithstanding that he is not a member, 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.

47. 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 from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

48. A resolution put to the vote of a meeting shall be decided on a show of

hands unless before or on the declaration of the result of the show of hands a poll is duly demanded. Subject to the provisions of the Act a poll may be demanded—

(a) by the chairman; or  
(b) by at least two members having the right to vote at the meeting; or  
(c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or  
(d) by a member or members holding shares 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.

and a demand by a person as proxy for a member shall be the same as a demand by the member.

49. 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, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

50. The demand for a poll may before the poll is taken be withdrawn but only with the consent of the chairman 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.

51. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) 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.

52. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

53. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs, not being more than thirty 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 the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

54. 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.

55. A resolution in writing executed by or on behalf of each member 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 as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

## VOTES OF MEMBERS

56. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

57. 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.

58. A member in respect of whom an order has been made by any court having 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 other 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.

59. No member 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 moneys presently payable by him in respect of that share have been paid.

60. 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 whose decision shall be final and conclusive.

61. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

62. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):—

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the above-named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the company to be held on \_\_\_\_\_ at \_\_\_\_\_ and at any adjournment thereof.

Signed on \_\_\_\_\_

63. Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):—

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the above-named company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the company to be held on \_\_\_\_\_ at \_\_\_\_\_ and at any adjournment thereof. This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 'for' against  
Resolution No. 2 'for' against  
Strike out whichever is not desired  
Unless otherwise instructed the proxy may vote as he thinks fit or abstain from voting.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
64. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarijly or in some other way

appointed by the directors may -

(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 of proxy sent out by the company in relation to 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 (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited at the office 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 taken forthwith but is taken not more than 48 hours after it is demanded, be delivered at the meeting at which the poll was demanded to the chairman 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.

63 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 validity of the person giving or demanding a vote 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.

## NUMBER OF DIRECTORS

64 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 two.

## ALTERNATE DIRECTORS

65 Any director (other than an alternate director) may appoint any other director or any other person approved by resolution of the directors and willing to act to be an alternate director and may remove from office an alternate director so appointed by him.

66 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

67 An alternate director shall cease to be an alternate director if his appointor ceases to be a director but if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

68 Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.

69 Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## POWERS OF DIRECTORS

70 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 direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation 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.

71 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.

## DELEGATION OF DIRECTORS' POWERS

72 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 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.

## APPOINTMENT AND RETIREMENT OF DIRECTORS

73 At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office, but, if there is only one director who is subject to retirement by rotation, he shall retire.

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

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

76 No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless -

(a) he is recommended by the directors; or  
(b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.

77 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the company's register of directors.

78 Subject as aforesaid, 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 and may also determine the rotation in which an additional director is to retire.

79 The directors may appoint a person who is willing to act to be -  
(a) either to fill a vacancy or as an additional director, provided that the appointment does not exceed the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

80 Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retire at the meeting appoints someone in his place or, if not, shall not do so until the end of the meeting.

## DISQUALIFICATION AND REMOVAL OF DIRECTORS

81 The office of a director shall be vacated if -

(a) he ceases to be a director by virtue of any provisions 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 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

(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 of directors held during that period and the directors resolve that his office be vacated.

## REMUNERATION OF DIRECTORS

82 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.

## DIRECTORS' EXPENSES

83 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 of debentures of the company or otherwise in connection with the discharge of their duties.

## DIRECTORS' APPOINTMENTS AND INTERESTS

84 Subject to the provisions of the Act, 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 the 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 an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.

85 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and 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 and

(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 and

(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 transaction or arrangement or from any interest in 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.

86 For the purposes of regulation 85 -

(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 in 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 of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

## DIRECTORS' GRATUITIES AND PENSIONS

87 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 with the company or with any body corporate in which he has been a subsidiary of the company or a predecessor in business of the company or of 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 ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## PROCEEDINGS OF DIRECTORS

88 Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may and the secretary at the request of a director shall call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. 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. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

89 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 an alternate director shall, if his appointor is not present, be counted in the quorum.

90 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.

91. The directors may appoint any of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it 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.

92. All acts done by a meeting of directors or of a committee of directors, or by a person acting as a director shall notwithstanding that it be afterwards discovered that there was a defect in the appointment of any 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.

93. A resolution in writing signed by all the directors entitled to receive notice at 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 his appointor and it is signed by a director who has appointed an alternate director it need not be signed by the alternate director in that capacity.

94. 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 an 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 an 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.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act, (including any statutory modification thereof) not in force when this regulation 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.

95. 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.

96. 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 directors or of a committee of directors.

97. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided 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.

98. If a 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

99. 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

100. 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 or 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.

## THE SEAL

101. The 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 seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

## DIVIDENDS

102. Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

103. Subject 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. 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 dividends as well as on shares which confer preferential rights with regard to dividends, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend 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.

104. 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 dividends are 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 dividend as from a

particular date, that share shall rank for dividend accordingly.

105. 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 member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

106. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder to the registered address of that one of those persons who is first named in the register of members or to such person and to such address 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 shall be a good discharge to the company. Any joint holder of a share or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

107. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

108. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall be paid to the directors or resolve to be forfeited and cease to remain owing by the company.

## ACCOUNTS

109. No member shall have any right of inspecting any accounting records or other book or document of the company except as authorised by statute or authorised by the directors or by ordinary resolution of the company.

## CAPITALISATION OF PROFITS

110. 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 sum 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 members 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 up 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 members 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 not available for distribution may for the purposes of this regulation only be applied in paying up unissued shares to be allotted to members 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 regulation in fractions; and

(d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively credited as fully paid of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

## NOTICES

111. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.

112. The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member 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 members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member 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 member shall be entitled to receive any notice from the company.

113. A member 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.

114. 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 members, has been duly given to a person from whom he derives his title.

115. Proof that an envelope containing a notice was properly addressed, prepared and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

116. 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 or delivering it in any manner authorised by the articles for the giving of notice to a member 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.

## WINDING UP

117. 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 members 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 members or different classes of members. The liquidator may with like sanction vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

## INDEMNITY

118. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.