

THE COMPANIES ACTS 1985 TO 1989

METNOR GROUP PLC

(Company Number 3596379)

SPECIAL RESOLUTION

We the undersigned, being all the members for the time being of the above-named company, hereby pass the following resolution as a special resolution and agree that this resolution shall, in accordance with Article 53 of Table A (which is incorporated in the articles of association of the company), be for all purposes as valid and effective as if the same had been passed at a general meeting of the company duly convened and held:

IT IS RESOLVED:

That the articles of association of the company be altered by deleting all the existing articles and by substituting therefor the new articles contained in the document attached hereto.

Dated 6th. July 1998

.....

JL NOMINEES ONE LIMITED (Authorised signatory)

.....

JL NOMINEES TWO LIMITED (Authorised signatory)

JIM LOWE AND COMPANY

1 Saville Chambers

North Street

Newcastle upon Tyne

NE1 8DF



THE COMPANIES ACTS 1985 to 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

METNOR GROUP PLC

(As adopted by a Special Resolution passed on 6th. July 1998)

INTERPRETATION

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 association of the Company.

"certificated share" means a share which is not an uncertificated share and references to a share held in certificated form shall be construed accordingly.

"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.

"the Company" means Metnor Group PLC.

"executed" includes any mode of execution.

"the directors" means the directors of the Company or their alternates present at a duly convened meeting of Directors at which a quorum is present.

"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.

"month" means Calendar month.

"Ordinary Shares" means Ordinary Shares of 1p. each in the capital of the Company having the rights and privileges set out in the articles

"paid up" paid up or credited as paid up.

"the Regulations" means the Uncertificated Securities Regulations 1995 (SI 1995 No. 3272) (including any modification thereof or any regulations in substitution therefor made under Section 207 of the Companies Act 1989 for the time being in force).

"the relevant system" means the computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument, and which facilitate supplementary and incidental matters in accordance with the Regulations.

"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.

"uncertificated share" means a share to which article 2 applies and references to a share held in uncertificated form shall be construed accordingly.

"in writing" means written or produced by any substitute for writing in a legible form, including photocopies, printing, or facsimile or other visual representation, or partly written and partly so produced.

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; and

words importing the singular only shall include the plural and vice versa; and

words importing the masculine gender only shall include the feminine gender; and

words importing persons shall include corporations; and

"debenture" and "debenture holder" shall include debenture stock and debenture stockholder.

PRELIMINARY

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

SHARE CAPITAL

2.1. The present share capital of the Company at the date of the adoption of these articles is £5,000,000 divided into 500,000,000 Ordinary Shares of 1p. each.

2.2. The Company may, pursuant to section 97 of the Act, pay commission at a rate not exceeding ten per cent. of the price at which the shares are issued.

2.3. Except as authorised or required by law or by these articles, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by

or recognise (even when having notice of it) any contingent, future or partial interest in any share or in any fractional part of a share or (except only as provided by these articles or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

2.4. 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.

2.5. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are 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, provided that the maximum price to be paid for any shares redeemed, in the case of purchases through the market or by tender, will not exceed 5% above the average market value of the shares ten business days before the purchase.

2.6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 125 of the Act and whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of that class. To every such separate general meeting the provisions of these articles relating to general meetings shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum is not present, the holders present shall form a quorum), and any holder of shares of the class present in person or by proxy may demand a poll.

2.7. The rights attached to any class shall not (unless otherwise provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking in any respect *pari passu* with that class.

2.8. Unless otherwise determined by the Directors and permitted by the Regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by written instrument by virtue of the Regulations. The Directors shall have power to implement any arrangements they may, in their absolute discretion, think fit in relation to the evidencing and transfer of uncertificated shares (subject always to the Regulations and the facilities and requirements of the relevant system concerned).

2.9. Conversion of certificated shares into uncertificated shares and vice versa may be made in such manner as the Directors may, in their absolute discretion, think fit (subject always to the Regulations and the facilities and requirements of the relevant system concerned).

2.10. The Company shall enter on the register how many shares are held by each member in uncertificated form and in certificated form and shall maintain the register in each case as is required by the Regulations and the relevant system concerned. Unless the Directors otherwise determine, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.

2.11. A class of shares shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these articles or the Regulations which apply only in respect of certificated shares or uncertificated shares.

2.12. The Company shall not be bound to register more than four persons as the joint holders of a share, except in the case of executors or trustees of a deceased member.

2.13. The provisions of articles 2.14 to 2.18 shall not apply to uncertificated shares.

2.14. Every person whose name is entered as a member on the register shall be entitled without payment to one certificate for all the shares of each class held by him. 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 sufficient delivery to them all.

2.15. A member who has transferred part of the shares registered in his name shall be entitled to a certificate for the balance without charge.

2.16. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of any exceptional out-of-pocket 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.

2.17. Subject to the provisions of the Act and as herein provided the Company may purchase its own shares (including any redeemable shares) but shall not, except as authorised by the Act, give any financial assistance for the purpose of an acquisition of its shares, or for reducing or discharging a liability incurred for that purpose.

2.18. The Company shall not be bound to register more than four persons as the joint holders of any share.

CALLS ON SHARES

3.1. Subject to the terms of allotment, the directors may from time to time make calls upon the members in respect of any sums unpaid on their shares 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 shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

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

3.3. If a call is not paid before or on the day appointed for payment, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

3.4. The provisions of these articles as to the payment of interest shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the amount of the share, or by way of premium, as if it had become payable by virtue of a call duly made and notified.

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

LIEN

4.1. 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, and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person for all sums payable by him or his estate to the Company; but 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 all distributions attributable to that share.

4.2. The Company may sell in such manner as the directors determine any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or until the expiration of fourteen clear days after a notice in writing has been given to the registered 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.

4.3. 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 of the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

4.4. The net proceeds of the sale shall be applied in payment of so much of the sum for which the lien exists as is 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 sale.

FORFEITURE OF SHARES

5.1. 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 payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

5.2. 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.

5.3. 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.

5.4. 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.

5.5. 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.

5.6. Where in respect of any shares of the Company any registered holder or any other person appearing to be interested in such shares fails to comply with any notice (in this article called a 'Statutory Notice') given by the Company under Section 212 of the Act or where (in purported compliance with the Statutory Notice) such registered holder or other person makes a statement which is false or misleading in any material particular, then not earlier than:

(i) 28 days after service of the Statutory Notice, or

(ii) 14 days after service of the Statutory Notice (where the shares concerned represent 0.25% or more of the shares of that class then in issue),

the Company may serve on such registered holder a notice (in this article called a 'Disenfranchisement Notice') stating that:

(a) such shares shall with effect from the service of the Disenfranchisement Notice confer on him no right to vote either at any general meeting or at any separate general meeting of the holders of the shares to that class; and/or

(b) (in the circumstances specified in (ii) above) any dividends payable in respect of such shares may be withheld by the Company.

The Company may at any time withdraw a Disenfranchisement Notice by serving on the registered holder of the shares to which the same relates a notice in writing to that effect (in this article called a 'Withdrawal Notice') and a Disenfranchisement Notice shall be deemed to have been withdrawn when the Statutory Notice has been complied with in respect of all the shares to which the Disenfranchisement Notice relates. Unless and until a Disenfranchisement Notice in relation thereto is deemed to have been withdrawn or the shares to which a Disenfranchisement Notice relates are registered in the name of some person other than the registered holder on whom the Disfranchisement Notice was served (and the directors may (notwithstanding the provisions of regulation 6.2) decline to register a transfer of such shares unless made through a recognised investment exchange (as defined in the Financial Services Act 1986) or upon acceptance of a take-over offer (whichever shall be the earlier) none of the shares to which a Disenfranchisement Notice relates shall (as the Disenfranchisement Notice may state) confer on the holder or holders thereof any right to attend or vote at such general meeting or separate general meeting as aforesaid nor entitle the holder or holders thereof to payment of any dividend otherwise payable on the same. For the purpose of this article, a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant notification under section 212 of the Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

TRANSFER OF SHARES

6.1. All transfers of uncertificated shares shall be made in accordance with and be subject to the Regulations and the facilities and requirements of the relevant system concerned and, subject thereto, in accordance with any arrangements made by the Directors pursuant to articles 2.8. to 2.13.

6.2. 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.

6.3. The transferor of any share shall be deemed to remain the holder of that share until the name of the transferee is entered in the register of members as the holder of that share.

6.4. The directors may refuse to register the transfer of a share which is not fully paid without assigning any reason and they may also refuse to register the transfer of a share on which the Company has a lien, provided that the refusal does not prevent dealings in the shares from taking place on an open and proper basis.

They may also refuse to register a transfer unless -

(a) the instrument of transfer is duly stamped and 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 less than five transferees.

6.5. In relation to uncertificated shares, the provisions herein shall apply only to the extent the same are consistent with the Regulations.

6.6. If the directors refuse to register the 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.

6.7. 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.

6.8. 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.

6.9. References herein to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system concerned relating to the transfer of such shares.

TRANSMISSION OF SHARES

7.1. The personal representatives of a deceased sole holder of a share shall be the only persons recognised by the Company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the personal representatives of a deceased last survivor, shall be the only persons recognised by the Company as having any title to the shares.

7.2. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as the directors may properly require, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt member could have made; but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt before the death or bankruptcy.

7.3. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which he would be entitled if he were the registered 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.

STOCK

8.1 The Company in general meeting may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

8.2. The holders of stock may transfer all or any part of their holdings in the same manner and subject to the same provisions as and subject to which the shares from which the stock arose might before conversion have been transferred, or as near to that manner and those provisions as circumstances admit; and the directors may fix the minimum amount of stock transferable, but the minimum shall not exceed the nominal value of the shares from which the stock arose.

8.3. The holders of stock shall, according to the amount of stock held by them, have the same rights as regards dividends, participation in assets on a winding up, voting at meetings and other matters as if they held the shares from which the stock arose; but no such right (except participation in distributions and in assets on a winding up or otherwise) shall be conferred by an amount of stock which would not, in the form of shares, have conferred that right.

8.4. Such of these articles as are applicable to paid-up shares shall apply also to stock, and the words 'share' and 'shareholder' shall include 'stock' and 'stockholder'.

INCREASE OF CAPITAL

9.1. Without prejudice to the rights attached to any existing shares or class of shares, the Company in general meeting may by ordinary resolution increase its capital by the creation of shares of such nominal amounts and carrying such rights and restrictions as the resolution shall specify; but unless the shares so created are uniform in all respects with a class of shares in the existing capital, the resolution creating them shall be a special resolution.

9.2. All new shares shall be subject to the same provisions as to payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the existing share capital.

ALTERATION OF CAPITAL

10.1. The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount;
- (b) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

10.2. The Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner authorised by law.

10.3. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) but if there are in issue any listed shares convertible into or carrying a right to subscribe for shares of a class proposed to be purchased, a purchase may not be made without the prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the convertible shares.

GENERAL MEETINGS

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

11.2. 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 of the Company may call a general meeting.

12. NOTICE OF GENERAL MEETINGS

12.1. 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 who are 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.

12.2. In every notice calling a general meeting there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote in his place and that a proxy need not be a member of the Company.

12.3. 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.

13. PROCEEDINGS AT GENERAL MEETINGS

13.1. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in these articles, three 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.

13.2. 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.

13.3. 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.

13.4. 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.

13.5. 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.

13.6. 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.

13.7. A resolution put to the vote of 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:

(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.

13.8. 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.

13.9. 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.

13.10. 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.

13.11. 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. 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.

13.12. 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.

13.13. 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 like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

14.1. 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 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.

14.2. 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.

14.3. 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 forty-eight hours before the time appointed for holding the meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercised.

14.4. 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.

14.5. 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.

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

14.7. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or on his behalf by his attorney duly authorised in writing or, if the appointor is a corporation, under the common seal of or otherwise duly executed by the appointor or under the hand of an officer or attorney duly authorised in that behalf 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):

[Name of Company]

I/We,..... of....., member/members of the above-named company, hereby appoint..... of....., or failing him,.....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.....19....., and at any adjournment thereof.

Signed:

By:

Dated:

14.8. 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):

[Name of Company]

I/We,..... of....., member/members of the above-named company, hereby appoint..... of....., or failing him,..... 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.....19....., 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:

By:

Dated:

14.9. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors 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 forty-eight 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 forty-eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than forty-eight hours after it was 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.

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

DIRECTORS

15.1. Unless otherwise determined by ordinary resolution, the number of directors shall not be less than two and not more than ten.

15.2. The directors (other than directors holding executive office or alternate directors) shall be paid such fees for their services in their offices as directors as are determined by the directors. The aggregate of the fees (excluding amounts payable under any other provision of these articles) shall not exceed £50,000 per annum (which figure shall be subject to upward only

adjustment in line with any percentage increase in the retail price index after the date of the adoption of these articles) or such higher amount as decided by ordinary resolution of the Company.

15.3. 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.

15.4. There shall be no shareholding qualification for directors.

ALTERNATE DIRECTORS

16.1. 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.

16.2. 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.

16.3. 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.

16.4. 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.

16.5. Save as otherwise provided in these 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

17.1. Subject to the provisions of the Act, the memorandum and these 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.

17.2. 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.

17.3. 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.

BORROWING POWERS OF DIRECTORS

18.1. Subject as provided by this regulation the directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Company or any other party.

18.2. The directors shall so restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries as to secure (so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all sums borrowed by the Company and its subsidiaries (exclusive of sums borrowed from or owing to the Company or any such subsidiary) shall not at any time exceed an amount equal to three times the share capital and consolidated reserves (as defined by this article) without the previous sanction of an ordinary resolution of the Company.

18.3. For the purposes of this regulation 'the share capital and consolidated reserves' means the aggregate amount of the paid up share capital of the Company plus the amount of the consolidated capital and revenue reserves (including any share premium account or capital redemption reserve) and any credit balance on the consolidated profit and loss account after deducting (i) any debit balance on that account and (ii) any amounts attributable to shareholders other than the Company and its subsidiaries, all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries, but

(a) adjusted so as to reflect any issue of shares or other variation in the paid up share capital or share premium account of the Company since the date of the balance sheet and any distributions made from such reserves or profit and loss account since that date; and

(b) excluding any sums set aside for taxation, any share capital or reserves resulting from writing up the book values of the Company or any subsidiary, and any intangible assets.

18.4. For the purposes of this regulation sums owing on debentures issued for a consideration other than cash shall be deemed to be borrowed, and the giving of a guarantee shall be deemed a borrowing of an amount equal to the maximum liability under the guarantee.

18.5. No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the limit imposed by this regulation is observed, and no debt incurred or security given in excess of that limit shall be invalid unless he had express notice at the time when the debt was incurred or the security was given that the limit had been or would by that action be exceeded.

APPOINTMENT AND RETIREMENT OF DIRECTORS

19.1. 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 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.

19.2. 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.

19.3. 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.

19.4. No person, other than a director retiring by rotation, shall be appointed or reappointed a director at any general meeting unless not less than six 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 re-appointment stating the particulars which would, if he were so appointed or re-appointed, 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.

19.5. 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.

19.6. 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 any additional directors are to retire.

19.7. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors. 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.

19.8. 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 retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

19.9. The Company may by ordinary resolution, of which special notice has been given in accordance with section 379 of the Act, remove any director before the expiration of his term of office notwithstanding anything in these regulations or in any agreement between the Company and such director.

DISQUALIFICATION OF DIRECTORS

20. The office of a director shall be vacated if -

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either:

(i) he is admitted to hospital in pursuance of an application for admission or 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 the directors held during that period and the directors resolve that his office be vacated.

DIRECTORS' APPOINTMENTS AND INTERESTS

21.1. 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 in the Company and may procure the Company to enter into a contract or arrangement with him for his employment or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, contract or arrangement may be made upon such terms as to remuneration and otherwise as the directors shall think fit. The appointment of a managing director shall terminate if he ceases to be a director, but without prejudice to any claim to damages which he may have for breach of the contract of service. The tenure by a director of any other executive office or appointment shall not terminate on his ceasing to be a director unless the terms of his appointment expressly so provide.

21.2. Save as otherwise provided, a director shall not be entitled to vote in respect of any contract or arrangement in which he directly or indirectly has a material interest, other than the appointment of himself or any other director to any office or place of profit under the Company and the terms of any such appointment, and shall not be counted in reckoning whether a quorum is present at any meeting at which any such matter is considered or decided.

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

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

(b) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

(c) a proposal concerning an offer for shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which either he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(d) any proposal concerning any other corporation in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he (together with any persons connected with him within the meaning of Section 346 of the Act) is not the holder of or beneficially interested in 1% or more of any class of the equity share capital of such corporation (or of any third corporation through which his interest is derived) or of the voting rights available to members of the relevant company (any such

interest being deemed for the purposes of this article to be a material interest in all the circumstances);

(e) any proposal concerning the adoption modification or operation of a superannuation fund or retirement death or disability benefit scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by the Board of Inland Revenue for taxation purposes;

(f) any proposal concerning the adoption, modification or operation of any employees' share scheme within the meaning of Section 743 of the Act under which he may benefit and which has been approved by and is subject to and conditioned on approval by the Board of Inland Revenue for taxation purposes which relates both to directors and employees and does not accord to any director any such privilege or advantage not generally accorded to the employees to whom such scheme relates.

(g) concerns any insurance which the Company proposes to maintain or purchase for the benefit of the directors or for the benefit of persons including directors.

21.4. A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.

21.5. Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of the appointment) of two or more directors to offices or employment within the Company or any corporation in which the Company is interested, such proposals may be divided and considered in relation to each director separately. In such case each of the directors concerned (if not precluded from voting under article 21.2) shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

21.6. A director may act by himself or his firm in a professional capacity (other than in the office of auditor) for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a director.

21.7. A director may be or become a director or other officer or otherwise interested in any corporation promoted by the Company or in which the Company is otherwise interested. No director shall be accountable for any benefits derived by him from any other corporation in which the Company is interested as shareholder or otherwise. The directors may exercise the voting rights conferred by the shares in any other corporation held or owned by the Company in such manner in all respects as the directors think fit, including the exercise of such voting rights in favour of any resolution appointing the Company or all or any of the directors as directors or officers of such other corporation or providing for the payment of remuneration to the directors or officers of such other corporation.

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

21.9. Subject to the provisions of the Act, the Company may by ordinary resolution suspend or relax the provisions of this article to any extent, either generally or in respect of a particular matter, or ratify any transaction not duly authorised by reason of a contravention of this article 21.

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

DIRECTORS' GRATUITIES AND PENSIONS

22. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director whom has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or 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

23.1. 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.

23.2. The quorum for the transaction of the business of the directors shall be fixed by the directors and unless so fixed 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.

23.3. 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.

23.4. The directors may appoint one 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.

DELEGATION OF DIRECTORS' POWERS

24.1 the directors may delegate to:

- (a) any committee appointed under regulation 24.2 below;
- (b) any executive director of the Company;

(c) any local board established under regulation 24.3 below;

(c) any agent or agency appointed under regulation 24.3 below;

(d) any attorney appointed under regulation 24.4 below;

such of the powers, authorities and discretions vested in the directors on such terms and to such extent as the directors shall from time to time consider appropriate (including the power to sub-delegate). Any such delegation may be annulled or varied by the directors at any time, but no person dealing in good faith and without notice of such annulment or variation shall be concerned with or affected by it.

24.2. The directors may delegate any of their powers to committees consisting of such member or members of the board of directors as they think fit. Any committee so formed shall in the exercise of the power so delegated conform to any regulations that may be imposed on it by the directors. A committee may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within 5 minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting. A committee may meet and adjourn as its members think fit. Questions arising at any meeting shall be determined by a majority vote. In the case of an equality of votes the chairman shall have a second or casting vote. The meetings and proceedings of a committee shall be governed by the provisions contained in these articles for regulating the meetings and proceedings of the directors, so far as they are applicable to the same and are not suspended by any regulations imposed by the directors.

24.3. The directors may establish any local boards or agencies for managing any of the affairs of the Company in the United Kingdom or elsewhere, and may appoint their members and fix their remuneration; and they may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill vacancies and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and conditions as the directors think fit. the directors may remove any person so appointed, or annul or vary any such delegation; but no person dealing in good faith and without notice of the annulment or variation shall be affected. No member of a local board or agency so established shall by reason thereof be or be deemed to be a director or be described as such.

24.4. The directors may by power of attorney under the seal or acting by two of them or one of them and the secretary appoint any corporation, firm or individual, or any fluctuating body of persons, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those exercisable by the directors) and for such period and on such terms as to remuneration and otherwise as they may think fit, with or without power to sub-delegate.

SECRETARY

25. 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

26. The directors shall cause minutes to be made in books kept for the purpose: _

(a) of all appointments of officers made by the directors; and

(b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, including the names of the directors present at each such meeting.

THE SEAL

27.1. The seal shall only be used by the authority of the directors or of a committee authorised by the directors. The directors shall determine who may sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a director and shall be counter-signed by the secretary or by a second director or by some other person appointed by the directors for the purpose. Provided that the directors may, either generally or in any particular case or cases, resolve (subject to such restrictions as the directors may determine as to the manner in which the seal may be affixed) that such signatures or any of them may be affixed to certificates for shares or representing any other form of security by some mechanical means, other than autographic, to be specified in such resolution or that such certificates need not be signed by any person.

27.2. The Company may have an official seal kept by virtue of Section 40 of the Act and an official seal for use abroad where and as the directors shall determine, and the Company may by writing under the seal appoint any agents or agent, local boards, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use of it as may be thought fit.

27.3. Whenever in these articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any of such official seals as aforesaid.

DIVIDENDS

28.1. The Company may by ordinary resolution declare dividends in accordance with the respective rights of the members out of any lawfully distributable profits, but no dividend shall exceed the amount recommended by the directors.

28.2. 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 dividend as well as on shares which confer preferential rights with regard to dividend, 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.

28.3. Unless otherwise provided by the rights attached to shares or the terms of their issue, all dividends shall be declared and paid proportionately to the capital paid up on the shares on which the dividend is paid (but no amount paid up on a share in advance of calls shall be treated for the purposes of this regulation as paid up on the share), but if any shares are issued on terms providing that they shall rank for dividend as from a specific date, they shall rank for dividend accordingly. Any dividend or interim dividend may be expressed to be payable on a specified date to persons registered on some earlier date as the holders of the shares in respect of which the dividend is declared, notwithstanding that such persons may not be so registered on the date of the declaration or payment.

28.4. 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.

28.5. 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 and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

28.6. 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.

28.8. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

ACCOUNTS

29.1. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

29.2. The Company shall, not less than 21 days before the date of the meeting before which they are to be laid, send to all members and to all debenture-holders of the Company and to the auditors and the London Stock Exchange:

(a) copies of the full accounts and reports of the Company as required by the Act; or

(b) to the extent permitted by section 251 of the Act, a summary financial statement in the form required by the Companies (Summary Financial Statement) Regulations 1992.

Provided that the foregoing shall not require any copy of such documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any share or debenture.

CAPITALISATION

30. 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 sums on their behalf either in or towards 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 may 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

31.1. 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.

31.2. 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.

31.3. 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 the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

31.4. 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 on the register of members, has been duly given to a person from whom he derives his title.

31.5. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted.

31.6. 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 these articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustees 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.

31.7. Any notice required to be given by the Company to the members or to any of them shall be sufficiently given if given by advertisement which is inserted in at least one national daily newspaper. Any notice given by advertisement shall be deemed to have been served before noon on the day on which the advertisement appears.

WINDING UP

32. 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 the 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

33. 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.

UNTRACED MEMBERS

34.1. The Company shall be entitled to sell any share or stock of a member or any share or stock to which a person is entitled by transmission or bankruptcy if and provided that:

(a) for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member, or to the person entitled by transmission or bankruptcy, at his address on the register or other the last known address given by the member, or the person so entitled by transmission or bankruptcy, to which cheques, dividends and warrants are to be sent, has been cashed and no communication has been received by the Company from the member, or the person so entitled by transmission or bankruptcy, and during such period at least three dividends in respect of the shares in question have been paid by the Company; and

(b) the Company has at the expiration of the said period of 12 years by advertisement in two national daily newspapers given notice of its intention to sell such shares or stock;

(c) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and

(d) the Company has first given notice in writing to the Quotations Department of The London Stock Exchange of its intention to sell such shares or stock.

34.2. To give effect to any such sale as provided in regulation 34.1, the Company may appoint any person to execute as transferor an instrument of transfer of such shares or stock and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission or bankruptcy to such shares or stock. The Company shall account to the member or other person entitled to such shares or stock for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company, and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such member or other person. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company) as the directors may from time to time think fit. No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any money earned on the same.