

ARTICLES OF ASSOCIATION

OF

TEX HOLDINGS PUBLIC LIMITED COMPANY¹ (A COMPANY LIMITED BY SHARES)

PART 1

SPECIAL PROVISIONS

SHARE CAPITAL

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- A) The authorised share capital of the Company at the date of the adoption of these Articles is £800,000 divided into 8,000,000² Ordinary Shares of 10p each.

BORROWING POWERS

- B) The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property assets (present and future) and uncalled capital of the Company and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Board shall 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 (if any) with a view to securing (but as regards subsidiaries only in so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate amount from time to time outstanding of all moneys borrowed or secured by the Company and/or any of its subsidiaries (exclusive of moneys outstanding in respect of borrowings by the Company from any such subsidiary or by any such subsidiary from another such subsidiary or from the Company) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to twice the Adjusted Capital and Reserves. For the purpose of this Article:-

- i) "the Adjusted Capital and Reserves" means the aggregate from time to time of:-
- (a) the amount paid up or credited as paid up on the issued share capital of the Company; and
 - (b) the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve fund and any credit balance on profit and loss account) all as shown by the then latest

¹ The Company was re-registered as a public company on 9 February 1982 and changed its name to Tex Holdings plc by special resolution passed on 29 July 1985

² The capital has from time to time been reorganised and increased, the most recent instance being by an ordinary resolution passed on 29 August 1989 which increased the capital from £600,000 to £800,000

audited balance sheet but after deducting therefrom any debit balance on profit and loss account (except to the extent that such deduction has already been made) and making adjustments to reflect any variation in the amount of such paid up share capital, share premium account or capital redemption reserve fund since the date of the audited balance sheet;

- ii) the nominal amount of any share capital issued and the principal amount of any moneys borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest wherein is owned otherwise than by the Company or a subsidiary and the repayment whereof is guaranteed by the Company or by any subsidiary shall (if not otherwise taken into account) be deemed to be moneys borrowed by such guaranteeing company;
- iii) the principal amount owing (otherwise than to the Company or subsidiary) on any debentures of the Company or any subsidiary howsoever issued (together with any fixed or minimum premium payable on final repayment) shall (if not otherwise taken into account) be deemed to be moneys borrowed;
- iv) the principal amount raised by the acceptance of bills by the Company or any subsidiary (not being acceptances of trade bills for the purchase of goods in the ordinary course of business) or by any bank or accepting house under any acceptance credit opened on behalf of the Company or any subsidiary shall be deemed to be moneys borrowed;
- v) the nominal amount of any issued share capital of a subsidiary (not being equity share capital) owned otherwise than by the Company or a subsidiary (together with any fixed or minimum premium payable on final repayment) shall be deemed to be moneys borrowed;
- vi) moneys borrowed or secured by the Company or any subsidiary for the purpose of redeeming or repaying within six months any moneys borrowed or secured by the Company or any subsidiary shall not be treated as moneys borrowed or secured pending their application for that purpose within such period;
- vii) an amount equal to the aggregate sum remaining borrowed or secured by any company becoming a subsidiary of the Company immediately after it becomes such a subsidiary shall at the time it becomes such a subsidiary and for a period of six months thereafter, and an amount equal to the aggregate sum remaining secured on any assets acquired by the Company or any of its subsidiaries immediately after such acquisition shall, at the time of such acquisition and for a period of six months thereafter, be deducted in calculating the aggregate amount from time to time outstanding of all moneys borrowed or secured;
- viii) where the amount of moneys borrowed or secured is increased by a change in currency exchange rates, the amount of such increase shall, for a period of six months thereafter, be deducted in calculating the aggregate amount from time to time outstanding of all moneys borrowed or secured; and
- ix) "audited balance sheet" shall mean the audited balance sheet of the Company unless at the date of the then latest such balance sheet there shall have been made up and audited a consolidated balance sheet of the Company and it

subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Companies Acts) and in the latter event "audited balance sheet" shall mean the audited consolidated balance sheet of the Company and such subsidiaries and the references to reserves and profit and loss account shall be deemed to be references to consolidated reserves and consolidated profit and loss account respectively and there shall be excluded any amounts attributable to outside interests in subsidiaries.

A certificate or report by the Auditors for the time being of the Company as to the amount of the Adjusted Capital and Reserves or the amount of moneys borrowed or secured or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article.

Notwithstanding the foregoing no lender or other person dealing with the Company shall be concerned to see to or inquire whether the limit imposed by this Article is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded.

VOTES FOR MEMBERS

- C) Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Member who is present in person (including any corporation represented by proxy or in accordance with the Companies Acts) at a general meeting of the Company shall have one vote, and on a poll every Member who is present in person or by proxy shall have one vote for every 10p nominal amount of share capital of which he is the holder.

NUMBER OF DIRECTORS

- D) Unless and until otherwise determined by ordinary resolution of the Company, the Directors shall be not less than 2 in number and there shall be no maximum number of Directors.

DIRECTORS' FEES

- E) Each of the Directors, other than the Chairman of the Board, shall be entitled to a fee at the rate of up to £750 per annum and the Chairman shall be entitled to a fee at the rate of £1,000 per annum. Such fees shall accrue from day to day. The Directors shall also be entitled to such additional sum (if any) by way of fees as shall from time to time be determined by ordinary resolution of the Company. Such additional sums shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he has held office.

AGE OF DIRECTORS

- F) No person shall be disqualified from being appointed a Director and no Director shall be required to vacate that office by reason only of the fact that he has attained the age of 70 years or any other age, nor need the age of any such person or Director or the fact that any such person or Director is over 70 or any other age be stated in any notice or resolution relating to his appointment or reappointment, nor shall it be necessary to give special notice under the Companies Acts of any resolution appointing, reappointing or approving the appointment of a Director by reason of his age.

DIRECTORS' SHAREHOLDING QUALIFICATION

- G) No shareholding qualification for Directors shall be required.

PART 2

GENERAL PROVISIONS

TABLE A

- 2 No regulations set out in any schedule to any statute concerning companies shall apply as regulations or articles of the Company.

INTERPRETATION

- 3 In these Articles unless the context otherwise requires:-

“the Companies Acts” means every statute from time to time in force concerning companies insofar as the same applies to the Company;

“these Articles” means these Articles of Association in their present form or as from time to time altered;

“the Office” means the registered office of the Company;

“the Seal” means the Common Seal of the Company;

“the United Kingdom” means Great Britain and Northern Ireland;

“Member” means a member of the Company;

“the Board” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present;

“Executive Director” means a Director of the company who is appointed to be the holder of an executive office (including but not limited to Managing Director, Joint

Managing Director or Assistant Managing Director) or other managerial position with the Company or whose terms of service provide that he is to be an Executive Director of the Company;

“the Register” means the Register of Members of the Company;

“paid up” means paid up or credited as paid up;

“debenture” and “debenture holder” shall include debenture stock and debenture stockholder respectively;

“the Secretary” includes a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

“dividend” includes bonus;

"communication" – means the same as in the Electronic Communications Act 2000;

"electronic communication" – means the same as in the Electronic Communications Act 2000;

references to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible form; and

any words or expressions defined in the Companies Acts in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such part (as the case may be).

REGISTERED OFFICE

- 4 The Office shall be at such place in England as the Board shall from time to time appoint.

SHARE RIGHTS

- 5 Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 6 Subject to the Companies Acts, any preference shares may, with the sanction of a special resolution, be issued on terms that they are, or at the option of the Company are liable, to be redeemed. The terms and manner of redemption shall be provided for by alteration of these Articles.

MODIFICATION OF RIGHTS

- 7 Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied, abrogated or affected with

the consent in writing of the holders of not less than 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 such shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that, if at any adjourned meeting of such holders a quorum as above defined is not present, any such holder who is present in person or by proxy shall be a quorum.

- 8 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

- 9 Subject to the provisions of these Articles, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 10 The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts.
- 11 Except as ordered by a Court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise 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.

CERTIFICATES

- 12 Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgement of transfer (or within such other period as the terms of issue shall provide) one certificate for all his shares of any one class or several certificates each for one or more of his shares of such class upon payment for every certificate after the first of such sum (if any) not exceeding 10p as the Board may from time to time determine. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A Member who has transferred part of the shares comprised in his holding shall be entitled to a certificate for the balance without charge.
- 13 If a share certificate is defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding 5p and on such terms (if any) as to evidence and indemnity and to payment of the costs and out-of-pocket expenses of the Company of investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

- 14 Notwithstanding any other article or regulation, the Board may from time to time determine, either generally or in any particular case, the method by which any share certificate issued by the company in respect of the company's shares, stock, debentures or other securities shall be authenticated or executed by or on behalf of the company and, in particular:

the Board may dispense with the need to affix the common seal, or any official seal, of the company to such certificate;

the Board may determine the manner, and by whom any such certificate is to be signed, and may dispense with the need for such certificate to be signed or executed in any way;

the Board may permit the signature or a facsimile of the signature of any person to be applied to such share certificate by any mechanical or electronic means in place of that person's actual signature.

And any certificate issued in accordance with the requirements of the Board shall, as against the company, be prima facie evidence of the title of the person named in that certificate to the shares comprised in it.

LIEN

- 15 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such Member or his estate to the Company, whether the same shall have been incurred before or after the notice to the Company of any interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be wholly or in part exempt from the provisions of this Article.
- 16 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
- 17 The net proceeds of the sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the holder of the share immediately before such sale. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share

and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

CALLS ON SHARES

- 18 The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Member shall (subject to the Company serving upon him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.
- 19 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 20 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 21 If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 12 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
- 22 Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 23 The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 24 The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 12 per cent per annum as may be agreed upon between the Board and the Member paying such sum in advance.

FORFEITURE OF SHARES

- 25 If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 26 The notice shall name a further day (not being less than fourteen days from the date of

the notice) on or before which, and the place where the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.

- 27 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 28 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
- 29 A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.
- 30 A person whose shares have been forfeited shall thereupon cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate not exceeding 12 per cent per annum as the Board may determine, from the date of forfeiture until payment.
- 31 A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

- 32 Subject to such of the restrictions of these Articles as may be applicable, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve.
- 33 The instrument of transfer of a share shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer, when registered, may be retained by the Company.
- 34 The Board may, in its absolute discretion and without assigning any reason therefor,

decline to register any transfer of any share which is not a fully paid share.

- 35 The Board may also decline to register any transfer unless:-
- A) the instrument of transfer, duly stamped, is lodged with the Company accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer
 - B) the instrument of transfer is in respect of only one class of share, and
 - C) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.
- 36 If the Board declines to register a transfer it shall, within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal.
- 37 No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, distringas or stop notice, order of court or other instrument relating to or affecting the title to any share, or otherwise making any entry in the Register relating to any share.

TRANSMISSION OF SHARES

- 38 In the case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons.
- 39 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may, subject as hereinafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death or bankruptcy of the Member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Member.
- 40 A person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof. Provided always that the Board may at any time give notice requiring any such person to elect either to be registered himself or to

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

STOCK

- 41 The Company may from time to time by ordinary resolution convert any fully paid up shares into stock and may reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class in the capital of the Company into stock, any shares of that class which subsequently become fully paid up and rank *pari passu* in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.
- 42 The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not, without the sanction of an ordinary resolution of the Company, exceed the nominal amount of the shares from which the stock arose.
- 43 The holders of stock shall, according to the amount of the stock held by them, have the same rights as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right (except as to participation in dividends and in assets on a reduction of capital or a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right.
- 44 All such of the provisions of these Articles as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder" respectively.

INCREASE OF CAPITAL

- 45 The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
- 46 The Company may, by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or may make any other provisions as to the issue of the new shares.
- 47 The new shares shall be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise.

ALTERATIONS OF CAPITAL

- 48 The Company may from time to time by ordinary resolution:-
 - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

- (b) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Companies Acts) and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares;
- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its authorised share capital by the amount of the shares so cancelled;

and may also by special resolution:-

- (d) subject to any confirmation or consent required by law, reduce its authorised and issued share capital or any capital redemption reserve fund or any share premium account in any manner

Where any difficulty arises in regard to any consolidation and division under paragraph (a) of this Article, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

48A³ Subject to the Companies Acts, the Company may purchase its own shares (including any redeemable shares). No purchase by the Company of its own shares will take place unless it has been sanctioned by an Extraordinary Resolution passed at a separate class meeting of the holders of any class of convertible shares.

GENERAL MEETINGS

- 49 The Board shall convene and the Company shall hold general meetings as annual meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. Any general meeting of the Company other than an annual general meeting shall be called an extraordinary general meeting.
- 50 The Board may, whenever it thinks fit, convene an extraordinary general meeting.

NOTICE OF GENERAL MEETING

- 51 An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty-one days' notice and a meeting other than an annual general meeting or a meeting called for the passing of a special resolution shall be called by not less than fourteen days' notice. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given,

³ Clause 48A was added by special resolution passed on 26th July 1990

and shall specify the place, day and time of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereafter mentioned 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, and also to the Auditors for the time being of the Company

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

- (a) in the case of a meeting called as 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 at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

- 52 The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 53 All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the accounts, the election of Directors and Auditors and other officers in place of those retiring by rotation or otherwise and the fixing of the remuneration of the Auditors or the manner in which such remuneration is to be determined and the voting of remuneration or additional remuneration to the Directors.
- 54 No business, other than the appointment of a chairman, shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these Articles, at least three Members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed for the purpose of these Articles to be personally present is represented by proxy or in accordance with the provisions of the Companies Acts.
- 55 If within fifteen minutes after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time or place as the chairman of the meeting may determine. If at such adjourned meeting a quorum as above defined is not present within fifteen minutes after the time appointed for holding the meeting, the Member or Members present in person or by proxy whatever the number shall be a quorum.

- 56 Each Director shall be entitled to attend and speak at any general meeting of the Company.
- 57 The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as chairman at every general meeting. If there is no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman is present within five minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present, or if all the Directors present decline to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.
- 58 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING

- 59 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:-
- (a) the chairman of the meeting; or
 - (b) at least two Members present in person or by proxy and entitled to vote; or
 - (c) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or
 - (d) any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

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

- 60 If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 61 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 in such manner and either forthwith or at such time (being not later than 3 months after the

date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll which is not taken forthwith.

- 62 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 has been demanded, and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 63 On a poll votes may be given either personally or by proxy.
- 64 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- 65 In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote.
- 66 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 67 A Member of unsound mind or who is a patient for the purpose of any statute relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such Court, and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy.
- 68 No Member shall, unless the Board otherwise determines, be entitled to vote at any general meeting in respect of any share held by him which is not fully paid.
- 69 If (i) any objection shall be raised to the qualification of any voter or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

- 70 The appointment of a proxy shall be executed by or on behalf of the appointor.
- 71 A proxy need not be a Member.
- 72 The appointment of a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority shall, in the case of an instrument in writing, be delivered at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any documents sent therewith) not less than forty-eight

hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. In the case of a poll taken subsequently to the date of a meeting or adjourned meeting the appointment of proxy shall be deposited or received not less than twenty-four hours before the time appointed for the taking of the poll and in default the appointment of proxy shall not be treated as valid. No appointment of a proxy shall be valid after the expiration of twelve months from the date in it as the date of its execution.

72A In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:-

- (i) in the notice convening the meeting, or
- (ii) in any instrument of proxy sent out by the company in relation to the meeting, or
- (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting.

The appointment shall be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposed to vote.

72B In this regulation and regulation 74 "address" in relation to electronic communication, includes any number or address used for the purposes of such communication.

73 The appointment of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of the appointment of proxy for use at the meeting. The appointment of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The appointment of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

74 A vote given in accordance with the terms of an appointment of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the appointment of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place in the United Kingdom as may be specified for the delivery of appointments of proxy in the notice convening the meeting or other document set therewith or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received) one hour at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the appointment of proxy is used.

APPOINTMENT AND REMOVAL OF DIRECTORS

75 Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these Articles to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors or the

number of Directors who are to retire by rotation at such meeting.

- 76 The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the Companies Acts, remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

DISQUALIFICATION OF DIRECTORS

- 77 Without prejudice to the provisions for retirement by rotation hereinafter contained, the office of a Director shall be vacated in any of the events following, namely:-
- (a) if (not being an Executive Director) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
 - (b) if (being an Executive Director) his appointment as an Executive Director is terminated and the Board resolves that his office is vacated;
 - (c) if he becomes of unsound mind or a patient for the purposes of any statute relating to mental health and the Board resolves that his office is vacated;
 - (d) if, without leave, he is absent from meetings of the Board (whether or not any alternate Director appointed by him attends) for six consecutive months, and the Board resolves that his office is vacated;
 - (e) if he becomes bankrupt or compounds with his creditors;
 - (f) if he is prohibited by law from being a Director;
 - (g) if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Articles.

ROTATION OF DIRECTORS

- 78 At every annual general meeting one-third of the Directors for the time being or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting.
- 79 The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 80 A retiring Director shall be eligible for re-election.
- 81 Subject to the provisions of these Articles, the Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless as such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

- 82 Subject as aforesaid, the Company may also by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.
- 83 No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, not less than seven and not more than twenty-eight clear days before the day appointed for the meeting, there has been given to the Secretary notice in writing by some Member (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

EXECUTIVE DIRECTORS

- 84 The Board may from time to time appoint one or more of its body to be Executive Directors for such period and upon such terms as the Board may determine and may revoke any of such appointments. The appointment of any Director as an Executive Director shall be automatically terminated if he ceases from any cause to be a Director unless the contract or resolution under which he holds such office expressly provides to the contrary. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination.
- 85 An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

- 86 (a) Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove such alternate Director. If such alternate Director is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate Director shall be effected by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of a committee of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director
- (b) Every person acting as an alternate Director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be

repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director

- (c) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability or is otherwise unavailable, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall be as effective as the signature of his appointor
- (d) An alternate director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

ADDITIONAL REMUNERATION AND EXPENSES

- 87 The Directors may be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

DIRECTORS' INTERESTS

- 88 A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and shall not be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- 89 (a) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (b) Subject to the next paragraph of this Article, 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 in any other manner whatever, 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

- (c) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such company or firm shall be sufficient declaration of interest under this Article in relation to any contract or arrangement so made. Provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- (d) A Director shall not vote (nor be counted in the quorum) on any resolution in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any of the following matters, namely:-
- (i) any contract or arrangement for giving to such Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company;
 - (ii) any contract or arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured in whole or in part;
 - (iii) any contract or arrangement by a director to subscribe for or underwrite shares, debentures or other securities of the Company;
 - (iv) any contract or arrangement with a corporation in which the director is interested only by reason of his being an officer, credit or member of such corporation or beneficially interested in securities of that corporation; and
 - (v) any arrangement for the benefit of employees under which the Director benefits in a similar manner as the employees.

The provisions of this paragraph may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract or arrangement, by ordinary resolution of the Company.

- (e) A director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any office or place of profit under the Company as aforesaid or of arranging the terms of any such

appointment, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

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

POWERS AND DUTIES OF THE BOARD

- 90 The business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Companies Acts or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Companies Acts and of these Articles and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 91 The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any such person appointed as aforesaid, and may annul or vary such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- 92 The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 93 The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 94 The Company may exercise the powers conferred by the Companies Acts with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

- 95 Subject to the provisions of the Companies Acts, the Company may keep a Dominion or local or other Register in any place, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such Register.
- 96 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 97 The Board shall cause minutes to be made in books provided for the purpose:-
- A) of all appointments of officers made by the Board;
 - B) of the names of the Directors present at each meeting of the Board or committee of the Board; and
 - C) of all resolutions and proceedings at all meetings of the Company and of the Board and of any committee of the Board.
- 98 The Board on behalf of the Company may exercise all the powers of the Company to grant pensions annuities or other allowances and benefits as well in favour of any Director or former Director or the relations, connections or depends of any Director or former Director as otherwise provided that no pension annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a Director or former director who has not been an Executive Director or held any other office or place of profit under the Company (or to a person who has no claim on the Company except as a relation connection or dependant of such a director or former Director) without the approval of an ordinary resolution of the Company. A Director or former Director shall not be accountable to the Company or the Members for any benefit of any kind properly conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

PROCEEDINGS OF THE BOARD

- 99 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting.
- 100 Notice of a Board meeting shall be deemed to be duly given to a Director if the same is given to him personally or by word of mouth or sent to him at his last known address or any other address given by him to the Company for this purpose, provided that it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom.
- 101 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

- 102 The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling up vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.
- 103 The Board may elect a Chairman and a deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman is elected, or if at any meeting neither the Chairman nor the deputy-Chairman is present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 104 A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 105 The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- 106 The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.
- 107 A resolution in writing signed by all the directors for the time being entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the directors or members of the committee concerned.
- 108 All acts done by the Board or by any committee or by any person acting as a Director or member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

SECRETARY

- 109 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.
- 110 A provision of the Companies Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

- 111 The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall (subject as otherwise provided in these Articles) be signed by one or more Directors and the Secretary or by two or more directors.

DIVIDENDS AND OTHER PAYMENTS

- 112 The Company in general meeting may from time to time declare dividends to be paid to the Members according to their rights and interests in the profits, but no dividend shall be declared in excess of the amount recommended by the Board.
- 113 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:-
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of 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 Article as paid up on the share, and
 - (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 114 The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such position, in the opinion of the Board, justifies that course.
- 115 The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 116 No dividend or other moneys payable on or in respect of any share shall bear interest against the Company.
- 117 Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his registered address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

- 118 Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
- 119 Any general meeting declaring a dividend may by ordinary resolution, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

RESERVES

- 120 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to distribute.

CAPITALISATION OF PROFITS

- 121 The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund and accordingly that such amount be set free for distribution among the Ordinary Shareholders in proportion to the number of Ordinary Shares held by them respectively on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that:-
- (a) a share premium account and a capital redemption reserve may be applied only in the paying up of unissued shares to be issued to such Members credited as fully paid; and
 - (b) so long as there shall be any Ordinary Shares in issue which are partly paid any shares allotted and distributed credited as fully paid in right of Ordinary Shares which are partly paid or treated as not being fully paid for the purposes of this Article shall be treated for the purposes of Articles 15, 34 and 68 as if they were not fully paid and shall rank for dividend only to the extent provided for by the terms of issue thereof

- 122 Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the person entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

RECORD DATES

- 123 Notwithstanding any other provision of these Articles the Board may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

ACCOUNTS

- 124 The Board shall cause true accounts to be kept:-
- (a) of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place;
 - (b) of all sales and purchases of goods by the Company; and
 - (c) of the assets and liabilities of the Company.
- 125 The books of account shall be kept at the Office or, subject to the Companies Acts, at such other place or places as the Board may think fit and shall always be open to inspection by each Director. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.
- 126 A copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the Auditor's report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts, and the number of copies for the time being required under its regulations and practice shall at the same time be forwarded to the UK Listing Authority, The Stock Exchange, and to any other Stock Exchange in the United Kingdom which requires them pursuant to any permission to deal in and for quotation granted in respect of any shares or other securities of the Company.

AUDIT

- 127 Auditors shall be appointed and their duties regulated in accordance with the Companies Act.

SERVICE OF NOTICES AND OTHER DOCUMENTS

- 128 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 or by delivering it to or leaving it at such registered address addressed as aforesaid or by giving it using electronic communication to an address for the time being notified to the Company by the Member. 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 to delivery to all the joint holders. All notices or other documents served on or delivered to joint holders shall, unless such holders otherwise in writing direct, be served on or delivered to that one of the joint holders whose name stands first in the Register.
- 129 Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him or an address to which notices may be sent using electronic communications shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.
- 130 Any such notice or other document, if sent by post, shall be deemed to have been served or delivered on the day after the day when the same was put in the post, or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent. 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. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- 130A In Articles 128 and 129 "address" in relation to electronic communications, includes any number or address used for the purpose of such communications.
- 131 Any notice or other document delivered or sent by post to or left at the registered address of any Member or sent using electronic communications in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

WINDING-UP

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

INDEMNITY

- 133 Every Director, Executive Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Executive Director, Manager, Office or Auditor 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 under the Companies Acts in which relief from liability is granted to him by the Court.