

C. Articles of Association

The Companies Act 1985 (as Amended)
A PUBLIC COMPANY LIMITED BY SHARES

Articles of Association

(Adopted by special resolution passed on 22nd January, 2002)

of

Marks and Spencer Group p.l.c.

PRELIMINARY

Table A

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

Definitions

2. In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:

Words	Meanings
"Act"	means the Companies Act 1985;
"address"	in relation to electronic communications, includes any number or address used for the purposes of such communications;
"these Articles"	means these articles of association as from time to time altered and the expression "this article" shall be construed accordingly;
"the board"	means the board of directors from time to time of the Company as the directors present at a meeting of the directors of which a quorum is present;
"certificated share"	means a share which is not an uncertificated share;
"electronic communication"	means the same as in the Electronic Communications Act 2000;

“electronic signature”	means anything in electronic form which the board requires to be incorporated into or otherwise associated with an electronic communication for the purpose of establishing the authenticity or integrity of the communication;
“the holder”	in relation to any shares means the member whose name is entered in the register as the holder of those shares;
“Initial Reduction”	the reduction of capital of the Company resolved upon on 27th February, 2002 by the cancellation of paid up share capital to the extent of 220p on each issued Ordinary Share of 245p and the reduction of the nominal amount of each Ordinary Share (whether issued or unissued) from 245p to 25p;
“member”	means a member of the Company;
“month”	means a calendar month;
“Office”	means the Registered Office of the Company for the time being;
“paid”	means paid or credited as paid;
“participating class”	a class of shares title to which is permitted by an Operator (as defined by the Uncertificated Securities Regulations) to be transferred by means of a relevant system;
“Register”	means the register of members of the Company;
“Scheme Effective Date”	the date on which the scheme of arrangement dated 29 January, 2002 between Marks and Spencer p.l.c. and the holders of its Scheme Shares (as therein defined) in its original form on which or subject to any modification, addition or condition approved or imposed by the Court has become effective in accordance with its terms;
“Seal”	means the Common Seal of the Company;
“Securities Seal”	means an official seal kept by the Company by virtue of Section 40 of the Act;

“the Statutes”	means the Act and every other statute (and any regulations subordinate thereto) for the time being in force concerning companies and affecting the Company;
“the Uncertificated Securities Regulations”	means the Uncertificated Securities Regulations 1995 as amended from time to time and any provisions of or under the Statutes which supplement or replace such Regulations;
“Transfer Office”	means the place where the Register is situate for the time being;
“uncertificated share”	means a share of a class which is for the time being a participating class title to which is recorded on the register as being held in uncertificated form;
“United Kingdom”	means Great Britain and Northern Ireland; and
“year”	means a calendar year.

The expressions **“debenture”** and **“debenture-holder”** shall respectively include **“debenture stock”** and **“debenture stockholder”**.

The expressions **“recognised clearing house”** and **“recognised investment exchange”** shall mean any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services and Markets Act 2000.

The expression **“Secretary”** shall include any person appointed by the directors to perform any of the duties of the Secretary including, but not limited to, a Joint, Assistant or Deputy Secretary.

All such of the provisions in these Articles as are applicable to paid-up shares shall apply to stock, and the words **“share”** and **“shareholder”** shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

References to a document being *signed* or to *signature* include references to it being executed under hand or under seal or by any other method and, in the case of electronic communication, are to its bearing an electronic signature.

References to writing include references to any method of representing or reproducing words in a legible and non-transitory form including by way of electronic communications where specifically provided in a particular article or where permitted by the board in its absolute discretion.

References to a document being *executed* include references to its being executed under hand or under seal or by any other method except by means of an electronic signature.

Headings are included only for convenience and shall not effect meaning.

3. **Form of resolution**

A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provisions of these Articles.

Subject to the Statutes, a resolution in writing signed 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 properly convened and held and may consist of several instruments in the like form each signed by or on behalf of one or more of the members. In this paragraph, references to in writing include the use of electronic communication, subject to such terms and conditions as the board may decide.

SHARE CAPITAL

Authorised Share Capital

4. The authorised share capital of the Company at the date of adoption of these Articles is £3,040,000,000, divided into 3,200,000,000 ordinary shares of 25 pence each (the “**Ordinary Shares**”) and 3,200,000,000 B shares of 70 pence each (the “**B Shares**”), (together, the “**Shares**”).

Rights Attaching to Authorised Share Capital

- 4A. (A) Ordinary Shares
 - (i) Subject to the superior rights of any other classes of shares that may be issued by the Company, the rights attaching to Ordinary Shares as regards participation in the profits and assets of the Company shall be as follows:
 - (a) the profits of the Company available for dividend and resolved to be distributed shall be distributed by way of dividend among the holders of Ordinary Shares; and

- (b) on a return of assets on a winding up, the assets of the Company available for distribution among the members shall be applied in repaying to the holders of Ordinary Shares the amounts paid up on such shares and subject thereto shall belong to and be distributed among such holders rateably according to the number of such shares held by them respectively.
- (ii) Other rights attaching to Ordinary Shares are set out in the other provisions of these Articles.
- (iii) The Initial Reduction shall not involve any breach or variation of the rights attached to the Ordinary Shares.
- (B) B Shares
 - (i) The B shares shall not carry any rights except as set out in this sub-article (B).
 - (ii) In this sub-article:

“**Business Day**” means a day upon which pounds sterling deposits may be dealt with on the London inter-bank market and commercial banks are generally open in London;

“**6 month LIBOR**” means the rate for six month deposits in pounds sterling which appears on the display designated as page 3750 on the Telerate Monitor (or such other page or service as may replace it for the purpose of displaying London inter-bank offered rates of leading banks for pounds sterling deposits) as determined by the Company or such agent as the Company shall appoint from time to time (the “Reference Agent”) at or about 11.00 a.m. (London time) on the first Business Day of a Calculation Period.

If for any reason the rate does not appear, or if the relevant page is unavailable:

- (a) the Company (or the Reference Agent) will request each of the banks, whose offered rates would have been used for the purposes of the relevant page if the event leading to the application of this proviso had not happened, to provide to the Company (or the Reference Agent) through its nominal London office its offered quotation to leading banks for pounds sterling deposits in London for a 6 month period; and
- (b) the rate shall be the arithmetic mean (rounded upward if necessary to the nearest 1/16 per cent.) of the respective rates notified to the Company or the Reference Agent such quotations (or such of them, being at last two, as are provided), as determined by the Reference Agent.

- (iii) In priority to the dividend rights of all other classes of share in issue from time to time, a holder of a B Share shall be entitled to be paid out of profits of the Company available for distribution and before the profits are carried to reserves, a non-cumulative dividend per B Share which shall:
- (a) begin to accrue on the later of 26th March, 2002 or the date of issue of that B Share;
 - (b) be at such annual rate of the nominal amount paid up on a B share as is calculated on an annual basis in accordance with paragraphs (iv) and (v) of this sub-article;
 - (c) be paid (without having to be declared) in arrears on 25th September, 2002 and thereafter on 25 March and 25 September each year (or if any such date falls on a day which is not a Business Day it shall be paid on the next following Business Day, without any interest in respect of such delay) (each a "**Payment Date**"); and
 - (d) be rounded down to the nearest penny.

A holder of a B Share shall not be entitled to any other right of participation in the profits of the Company.

- (iv) Each six month period ending on a Payment Date is called a "**Calculation Period**". The annual rate applicable to a Calculation Period shall be the lower of:
- (a) 25 per cent. per annum; and
 - (b) 75 per cent. of 6 month LIBOR for the Calculation Period.
- (v) Payments of preferential dividends shall be made to holders of B Shares shown on the Register at such date as is selected by the board provided that such date is not less than 15 days or more than 42 days prior to the relevant Payment Date (or, in the event of no selection by the board, on the date falling 15 days prior to the relevant Payment Date).
- (vi) A dividend paid on a B share which is unclaimed for a period of 12 years from its date of payment shall be forfeited and shall revert to the Company.
- (vii) On return of capital on a winding-up or a reduction of capital other than the Initial Reduction (except on a redemption in accordance with the terms of issue of any share, or purchase by the Company of any share or on a capitalisation issue and subject to the rights of any other class of shares that may be issued) there shall be paid to the holders of the B Shares the sum of 70 pence in respect of each B Share held by them respectively, together with a sum equal to the relevant

proportion of the preferential dividend which would have been payable if the winding-up had taken effect on the last day of the then current Calculation Period. The relevant proportion shall be the number of days from and including the preceding Payment Date (or, if the date of such winding-up is prior to 25 September, 2002, the date of 25 March, 2002) to, but excluding, the date of such winding-up, divided by 183. The aggregate entitlement of each holder of B Shares on a winding-up in respect of all of the B Shares held by them shall be rounded up to the nearest whole penny. The holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company. If on such a winding-up the amount available for payment is insufficient to cover in full the amounts payable on the B Shares, the holders of such shares will share rateably in the distribution of assets (if any) in proportion to the full preferential amounts to which they are entitled.

- (viii) If on a winding-up or reduction in capital the amount available for payment to shareholders is insufficient to satisfy in full the amounts payable in respect of B Shares, the holders of B Shares shall share such payment on a pro rata basis.
- (ix) Subject to the provisions of the Act, a B Share held by a member shall be redeemed on the first to occur of:
 - (a) the Payment Date prior to which the member has elected for that B Share to be redeemed by the Company;
 - (b) the date specified in a notice given by the Company to the member at any time after the date which is the third anniversary of the Scheme Effective Date or the date when the total number of B Shares then in issue becomes less than 25 per cent. of the total number of B Shares issued that have been issued by the Company (whichever occurs first), provided that the date specified in the notice shall not be less than 10 days nor more than 42 days from the date of the notice; and
 - (c) the one-hundredth anniversary of the date of their issue.

On redemption the Company shall pay to the holder of each B Share subject to redemption the nominal value of such B Share.

- (x) B Shares redeemed as aforesaid shall be cancelled and the Company shall not be entitled to re-issue the same.
- (xi) For the purpose of this paragraph:
 - (a) “**Redemption Call Date**” means the date on which a redemption occurs pursuant to paragraphs (ix)(b) or (ix)(c) of this sub-article; and

- (b) **“Relevant Proportion”** means the number of days from and including the last Payment Date to, but excluding, the Redemption Call Date, divided by 183.

On a Redemption Call Date, the holder of each B Share being redeemed shall be entitled to the Relevant Proportion of the preferential dividend that would have been paid in respect of the B Share if the Redemption Call Date fell on the last day of the then current Calculation Period. The aggregate amount payable to a holder of B Shares pursuant to this paragraph shall be rounded down to the nearest whole penny.

- (xii) B Shares shall carry no votes and a holder of a B Share shall not, by virtue of its holding of a B Share, have any right to receive notice of, attend, speak or vote at any general meeting of the Company.

- (xiii) The Company may from time to time:

- (a) create, allot and issue further shares whether ranking pari passu with or in priority to B Shares; or
- (b) reduce its capital by repaying any or all of the nominal amount paid up on B Shares,

and none of the foregoing shall be a breach or variation of the rights attaching to B Shares.

Shares with special rights

5. Subject to the provisions of the Statutes and to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following article), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the directors may determine) and subject to the provisions of the Statutes the Company may issue shares which are, or at the option of the Company or the shareholder are liable, to be redeemed.

Redeemable Shares

6. Subject to the provisions of the Statutes and to any rights attached to existing shares, any share may be issued which is to be redeemed, or is liable to be redeemed at the option of the Company or the holder.

VARIATION OF RIGHTS

Variation of rights

7. (A) Subject to the provisions of the Statutes the holders of any class of shares may at any time and from time to time and whether before or during liquidation, by an extraordinary resolution passed at a meeting of such holders, consent on behalf of all the holders of shares of the class to the issue or creation of any shares ranking equally therewith, or having any priority thereto, or to the abandonment of any preference or priority or of any accrued dividend, or the reduction for any time or permanently of the dividends payable thereon, or to the amalgamation into one class of the shares of any two or more classes, or to the sub-division of shares of one class into shares of different classes, or any alterations in these Articles varying or taking away any rights or privileges attached to shares of the class, or to any scheme for the reduction of the Company's capital affecting the class of shares in a manner not otherwise authorised by these Articles, or to any scheme for the distribution (though not in accordance with legal rights) of assets in money or in kind on or before liquidation, or to any contract for the sale of the whole or any part of the Company's property or business determining the way in which as between the several classes of shareholders the purchase consideration shall be distributed, and generally consent to any alteration or abrogation of rights, contract, compromise or arrangement which the persons voting thereon could if sui juris and holding all the shares of the class consent to or enter into, and such resolution shall be binding upon all the holders of shares of the class.

This article shall not be read as implying the necessity for such consent in any case in which but for this article the object of the resolution could have been effected without it. The consent in writing of the holders of three-fourths of the issued shares of the class shall have the same effect as an extraordinary resolution passed at a meeting of holders of shares of the class.

- (B) Any meeting for the purpose of sub-article (A) above shall be convened and conducted in all respects as nearly as possible in the same way as an extraordinary general meeting of the Company provided that no member, not being a director, shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class intended to be affected by the resolution and that (except that a chairman if a director may give a casting vote whether a holder of shares of the class or not) no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall (subject to the provisions as to an adjourned meeting hereinafter contained) be

members holding or representing by proxy not less than one-third of the issued shares of that class, and that at any such meeting a poll may be demanded in writing by any five members present in person or by proxy and entitled to vote at the meeting.

Special rights

8. Special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATION OF CAPITAL

New shares subject to these articles

9. 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. All new shares shall be subject to the provisions of the Statutes and these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

Alteration by ordinary resolution

10. (A) The Company may by ordinary resolution:
 - (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (ii) 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 capital by the amount of the shares so cancelled;
 - (iii) 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 provisions of the Statutes), 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.
- (B) Upon any consolidation of fully-paid shares into shares of larger amount the directors may settle any difficulty which may arise with regard thereto and in particular may as between the holders of shares so consolidated determine which shares are consolidated into each consolidated share and in the case of any shares registered in the

name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or joint holders) may make such arrangements for the allocation, acceptance or sale of the consolidated share and for the distribution of any moneys received in respect thereof as may be thought fit and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity.

Power to purchase own shares

11. Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares).

Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

Fractions

12. (A) Whenever as a result of a consolidation, consolidation and sub-division or sub-division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit. In particular the board may sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members and the board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. For the purposes of effecting the sale, the board may arrange for the shares representing the fractions to be entered in the register as certificated shares. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.
- (B) Subject to the Statutes, when the board consolidates or sub-divides shares, it can treat certificated and uncertificated shares which a member holds as separate shareholdings.

Power to reduce capital

13. The Company may reduce its share capital or any capital redemption reserve fund or share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

SHARES

Issue

14. (A) All unissued shares shall be at the disposal of the directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.
- (B) (i) The directors shall be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Act to exercise for each prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 amount.
- (ii) During each prescribed period the directors shall be empowered to allot equity securities wholly for cash pursuant to and within the terms of the said authority:
- (a) in connection with a rights issue; and
- (b) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the Section 89 Amount;
- as if Section 89(1) of the Act did not apply to any such allotment.
- (iii) By such authority and power the directors may during such period make offers or agreements which would or might require the allotment of securities after the expiry of such period.
- (iv) For the purposes of this article:
- (a) “**rights issue**” means an offer of equity securities open for acceptance for a period fixed by the directors to holders of equity securities on the register at a fixed record date in proportion to their respective holdings of such securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory);

- (b) **“prescribed period”** means:
 - (1) for the purposes of the authority conferred by subparagraph (i) above, the period (not exceeding five years on any occasion) for which such authority is renewed by an ordinary resolution or special resolution of the Company (as the case may be) stating the Section 80 Amount for such period; and
 - (2) for the purposes of the power conferred by subparagraph (ii) above, the period (not exceeding five years on any occasion) for which such power is renewed by a special resolution of the Company stating the Section 89 Amount for such period;
- (c) **“the Section 80 Amount”** shall be that stated in the relevant ordinary resolution or special resolution (as the case may be) or any increased amount fixed by ordinary resolution;
- (d) **“the Section 89 Amount”** shall be that stated in the relevant special resolution;
- (e) the nominal amount of any securities shall be taken to be in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Commissions/brokerage

- 15. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

Renunciation of allotment

- 16. The directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the directors may think fit to impose.

Trusts not recognised

- 17. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial

interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

Suspension of rights where non-disclosure of interest

18. (A) No member shall, unless the directors otherwise determine, be entitled in respect of shares held by him to vote at a general meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any calls or other sums presently payable by him to the Company in respect of such shares in the Company remain unpaid.
- (B) Where the holder of any shares in the Company, or any other person appearing to be interested in those shares, fails to comply within the relevant period with any statutory notice in respect of those shares, the Company may give the holder of those shares a further notice (a “**restriction notice**”) to the effect that from the service of the restriction notice those shares will be subject to some or all of the relevant restrictions, and from service of the restriction notice those shares shall, notwithstanding any other provision of these Articles, be subject to those relevant restrictions accordingly.
- (C) If after the service of a restriction notice in respect of any shares the board is satisfied that all information required by any statutory notice relating to those shares or any of them from their holder or any other person appearing to be interested in the shares the subject of the restriction notice has been supplied, the Company shall, within seven days, cancel the restriction notice. The Company may at any time at its discretion cancel any restriction notice or exclude any shares from it. The Company shall cancel a restriction notice within seven days after receipt of a notice in writing that the relevant shares have been transferred pursuant to an arm’s length sale.
- (D) Where any restriction notice is cancelled or ceases to have effect in relation to any shares, any moneys relating to those shares which were withheld by reason of that notice shall be paid without interest to the person who would but for the notice have been entitled to them or as he may direct.
- (E) Any new shares in the Company issued in right of any shares subject to a restriction notice shall also be subject to the restriction notice, and

the board may make any right to an allotment of the new shares subject to restrictions corresponding to those which will apply to those shares by reason of the restriction notice when such shares are issued.

- (F) Any holder of shares on whom a restriction notice has been served may at any time request the Company to give in writing the reason why the restriction notice has been served, or why it remains uncanceled, and within 14 days of receipt of such a request the Company shall give that information accordingly.
- (G) If a statutory notice is given by the Company to a person appearing to be interested in any share, a copy shall at the same time be given to the holder, but the failure or omission to do so or the non-receipt of the copy by the holder shall not invalidate such notice.
- (H) This article is in addition to, and shall not in any way prejudice or affect, the statutory rights of the Company arising from any failure by any person to give any information required by a statutory notice within the time specified in it. For the purpose of this article a statutory notice need not specify the relevant period, and may require any information to be given before the expiry of the relevant period.
- (I) In this article:

a sale is an **“arm’s length sale”** if the board is satisfied that it is a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the holder or with any person appearing to be interested in such shares and shall include a sale made by way of or in pursuance of acceptance of a takeover offer and a sale made through a recognised investment exchange or any other stock exchange outside the United Kingdom. For this purpose an associate (within the definition of that expression in any statute relating to insolvency in force at the date of adoption of this article) shall be included amongst the persons who are connected with the holder or any person appearing to be interested in such shares;

“person appearing to be interested” in any shares shall mean any person named in a response to a statutory notice or otherwise notified to the Company by a member as being so interested or shown in any register kept by the Company under the Statutes as so interested or, taking into account a response or failure to respond in the light of the response to

any other statutory notice and any other relevant information in the possession of the Company, any person whom the Company knows or has reasonable cause to believe is or may be so interested;

“person with a 0.25 per cent. interest” means a person who holds, or is shown in any register kept by the Company under the Statutes as having an interest in, shares in the Company which comprise in total at least 0.25 per cent. in number or nominal value of the shares of the Company, or of any class of such shares, in issue at the date of service of the restriction notice;

“relevant period” means a period of 14 days following service of a statutory notice;

“relevant restrictions” mean in the case of a restriction notice served on a person with a 0.25 per cent. interest that:-

- (i) the shares shall not confer on the holder any right to attend or vote either personally or by proxy at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to general meetings;
- (ii) the board may withhold payment of all or any part of any dividends or other moneys payable in respect of the shares and the holder shall not be entitled to receive shares in lieu of dividend;
- (iii) the board may (subject to the requirements of the Uncertificated Securities Regulations) decline to register a transfer of the shares or any of them unless such a transfer is pursuant to an arm’s length sale

and in any other case mean only the restriction specified in sub-paragraph (i) of this definition; and

“statutory notice” means a notice served by the Company under the Statutes requiring particulars of interests in shares or of the identity of persons interested in shares.

Uncertificated shares

19. (A) Pursuant and subject to the Uncertificated Securities Regulations, the board may permit title to shares of any class to be evidenced otherwise than by a certificate and title to shares of such a class to be transferred by means of a relevant system and may make arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The board may also, subject to compliance with the Uncertificated Securities Regulations and the rules of any relevant system, determine at any time that title to any class of shares may from a date specified by the board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular relevant system. For the avoidance of doubt, shares which are uncertificated shares shall not be treated as forming a class which is separate from certificated shares with the same rights.
- (B) In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these Articles shall apply or have effect to the extent that it is inconsistent in any respect with:-
- (i) the holding of shares of that class in uncertificated form;
 - (ii) the transfer of title to shares of that class by means of a relevant system; and
 - (iii) any provision of the Uncertificated Securities Regulations.
- (C) Shares of a class which is at the relevant time a participating class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the Uncertificated Securities Regulations and the rules of any relevant system.
- (D) Unless the board otherwise determines or the Uncertificated Securities Regulations or the rules of the relevant system concerned otherwise require, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.

SHARE CERTIFICATE

Issue of certificates

20. Every share certificate shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange. Subject to the Statutes and to any listing requirements of such share certificate may be authenticated by or issued bearing any one or more, as the directors may from time to time decide, of: the Seal or Securities Seal, or a representation of the Seal or Securities Seal; the signatures, or representations of the signatures, of two directors; or the signatures, or representations of the signatures, of a director and the secretary. Such representations may be made or produced mechanically, electronically, by laser printing or by such other means as the directors may from time to time approve.

Members' rights to certificates

21. Every person whose name is entered as a member in the Register in respect of any certificated shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor within one month after allotment (or one month after the date of expiration of any right of renunciation, if earlier) or within five business days of the lodgement of a transfer or (subject to the foregoing) within such other period as the terms of issue shall provide. Provided that the Company shall not be bound to register more than four persons as the joint holders of a share and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be sufficient delivery to all.

Transfer of part of shareholding

22. Where a member transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Replacement of certificates

23. If a share certificate shall be damaged, defaced, or alleged to have been lost, stolen or destroyed, it may be replaced by a new certificate and on delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the directors think fit.

CALLS ON SHARES

Power to make calls

24. The directors 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 value of the share or by way of premium) and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to receiving at least twenty-one days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the directors may determine.

Time when call made

25. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may be made payable by instalments.

Liability of joint holders

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

Interest payable

27. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10 per cent per annum) as the directors determine but the directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

Deemed calls

28. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue of the same it becomes payable. In case of non-payment all the relevant provisions of these presents 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.

Differentiation on calls

29. The directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

Payment on calls in advance

30. The directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 10 per cent per annum) as the member paying such sum and the directors agree upon.

FORFEITURE AND LIEN

Notice requiring payment of call

31. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the directors may at any time thereafter 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 thereon and any expenses incurred by the Company by reason of such non-payment.

Form of notice

32. The notice shall name a further day (not being less than seven days from the date of service 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 in accordance therewith the shares on which the call was made will be liable to be forfeited.

Forfeiture for non-compliance

33. 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 and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The directors may accept a surrender of any share liable to be forfeited hereunder.

Sale of forfeited shares

34. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the directors think fit. The directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

Liability following forfeiture

35. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 12 per cent per annum (or such lower rate as the directors may approve) from the date of forfeiture or surrender until payment and the directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part.

Government tax

36. (A) Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any shares registered in any of the Company's registers as held either jointly or solely by any member or in respect of any dividends, bonuses or other moneys due or payable or accruing due or which may become due or payable to such member by the Company on or in respect of any shares registered as aforesaid or for or on account or in respect of any member and whether in consequence of:
- (i) the death of such member;
 - (ii) the non-payment of any income tax or other tax by such member;
 - (iii) the non-payment of any estate, probate, succession, death, stamp, or other duty by the executor or administrator of such member or by or out of his estate;
 - (iv) any other act or thing;

the Company in every such case:

- (a) shall be fully indemnified by such member or his executor or administrator from all liability;
- (b) may recover as a debt due from such member or his executor or administrator wherever constituted any moneys paid by the Company under or in consequence of any such law together with interest thereon at the rate of 15 per cent per annum from date of payment to date of repayment.

Nothing herein contained shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and as between the Company and every such member as aforesaid, his executor, administrator, and estate wheresoever constituted or situate, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.

- (B) 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 fixed time in respect of such share and the directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this article.

Enforcement of lien by sale

- 37. The Company may sell in such manner as the directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of twenty-one days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

Application of proceeds

- 38. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount in respect whereof the lien exists so far as the same is then 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 sums not presently payable as existed upon the shares prior to the sale, be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

Statutory declaration

39. 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 or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and 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 or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

Form of transfer

40. (A) All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee.
- (B) Subject to such of the restrictions of these articles as may be applicable:-
- (i) any member may transfer all or any of his uncertificated shares by means of a relevant system in such manner provided for, and subject as provided in, the Uncertificated Securities Regulations and the rules of any relevant system, and accordingly no provision of these Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred; and
 - (ii) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the board may approve.
- (C) The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it.

Execution of transfer

41. The instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee.

Registration

42. The registration of transfers may be suspended at such times and for such period as the directors may from time to time determine and either generally or in respect of any class of shares. The Register shall not be closed for more than thirty days in any year.

Rights to decline registration

43. (A) The board may, in its absolute discretion and without giving any reason for so doing, decline to register any transfer of any share which is not a fully paid share.
- (B) The board may only decline to register a transfer of a uncertificated share in the circumstances set out in the Uncertificated Securities Regulations, and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.
- (C) The board may decline to register any transfer of a certificated share unless:
- (i) the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question; and
 - (ii) 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.

Notice of refusal

44. If the board declines to register a transfer of a share it shall, within two months after the date on which the instrument of transfer was lodged or, in the case of a uncertificated shares, within two months after the date on which the relevant Operator-instruction is received, send to the transferee notice of the refusal.

Retention of transfers

45. All instruments of transfer which are registered may be retained by the Company. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all share certificates and dividend mandates and dividend warrants which have been cancelled or have ceased to have effect at any time after the expiration of one year from the date of such cancellation or cessation and all notifications of change of name or address after the expiration of one year from the date of the recording thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:
- (A) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (B) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than aforesaid or in any other circumstances which would not attach to the Company in the absence of this article;
 - (C) References herein to the destruction of any document include references to the disposal thereof in any manner.

No fee payable on registration

46. No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or notice in lieu of distringas or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

Renunciation

47. Nothing in these Articles shall preclude the directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

Transmission on death

48. In the case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

Registration/Transfer on transmission

49. 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) upon supplying to the Company such evidence as the directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. 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 transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by the said member.

Transmission - dividends

50. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the Company such evidence as the directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share.

Election of person entitled by transmission

51. Any person entitled by transmission to a share may, subject as provided elsewhere in these Articles, elect either to become the holder of the share or to have some person nominated by him registered as the holder. If he elects to be registered himself he shall give notice to the Company to that effect. If he elects to have another person registered, he shall transfer title to the share to that person. The board may at any time require the person to elect either to be registered himself or to transfer the share and if the requirements are not complied with within 60 days of being issued the

board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements have been met. All the provisions of these Articles relating to the transfer of, and registration of transfers of, shares shall apply to the notice or transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or transfer was given or executed by the member.

STOCK

Conversion

52. The Company may from time to time by ordinary resolution convert all or any of its paid-up shares into stock or reconvert any stock into paid-up shares of any denomination. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of that class.

Transfer

53. The holders of stock may transfer the same or any part thereof as the Company in general meeting shall direct, but in the absence of any such direction 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). No stock shall be transferable except in such units (not being greater than the nominal amount of the shares from which the stock arose) as the directors may from time to time determine.

Rights and privileges

54. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

GENERAL MEETINGS

Annual General Meeting

55. An annual general meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding annual general meeting) and place as may be determined by the directors. All other general meetings shall be called extraordinary general meetings.

Extraordinary General Meeting

56. The directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed to convene an extraordinary general meeting.

NOTICE OF GENERAL MEETINGS

Period of notice

57. An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least, and any other extraordinary general meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held. Notice of such meetings shall be given in the manner hereinafter mentioned, to all members (other than members not entitled to receive such notice) whose names appear on the Register at the close of business on such date as the directors may from time to time determine, being a date not more than thirty-five days before the date set for the relevant meeting. References in this article to notice in writing include the use of electronic communications and publication on a web-site in the accordance to the Statutes.

Contents of notice

58. (A) Every notice calling a general meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- (B) In the case of an annual general meeting, the notice shall also specify the meeting as such.
- (C) In the case of any general meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

Omission or non-receipt of notice

59. The accidental omission to give any notice of a general meeting or the accidental omission to send any document relating to any meeting to, or the non-receipt of any such notice or document by, any person entitled to receive the notice or document shall not invalidate the proceedings at that meeting.

Routine business

60. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:
- (A) declaring dividends;
 - (B) considering and adopting the accounts, the reports of the directors and auditors and other documents required to be annexed to the accounts;
 - (C) appointing auditors and fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed;
 - (D) appointing or re-appointing directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
 - (E) any other business which pursuant to the Statutes shall be required to be transacted at an annual general meeting.

ATTENDANCE AT GENERAL MEETINGS

Attendance

61. (A) The provisions of this article shall apply if any general meeting is at or adjourned to more than one place.
- (B) The notice of such a meeting or adjourned meeting shall specify the place at which the Chairman of the meeting shall preside (the “**Specified Place**”) and the directors shall make arrangements for simultaneous attendance and participation at the Specified Place and at other places by members, provided that persons attending at any particular place shall be able to see and hear and be seen and heard by means of audio visual links by persons attending the Specified Place and at the other places at which the meeting is held.
- (C) The directors may from time to time make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall in their absolute discretion consider appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any particular place shall be entitled so to attend at one of the other places; and the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

- (D) For the purposes of all other provisions of these Articles any such meeting shall be treated as being held at the Specified Place.
- (E) If a meeting is adjourned to more than one place, notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

- 62. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person and entitled to vote shall be a quorum for all purposes.

Chairman

- 63. The chairman of the directors shall preside as chairman at a general meeting. If there be no such chairman or if at any meeting he is not present within five minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number (or, if no director be present or if all the present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

Security arrangements

- 64. The board may direct that persons wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to, or to authorise some one or more persons who shall include a director or the secretary or the chairman of the meeting to, refuse entry to, or to eject from, such general meeting any person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

Quorum at adjourned meeting

- 65. If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day (being not less than three nor more than 28 days later) and at such other time or place as may have been specified for the purpose in the notice convening the meeting. Where no such arrangements have been so specified, the meeting shall stand adjourned to such other day (being not less than 10 nor more than 28 days later) and at such other time or place as the chairman of

the meeting may decide and, in this case, the Company shall give not less than seven clear days' notice in writing of the adjourned meeting. References in this article to notice in writing include the use of electronic communications and publication on a web site in accordance with the Statutes. At any adjourned meeting one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum and any notice of an adjourned meeting shall state that one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

Entitlement to attend and speak

66. Each director shall be entitled to attend and speak at any general meeting of the Company. The chairman may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

Adjournments

67. (A) Without prejudice to any other powers or discretions which he might exercise but for the provisions of this article, the chairman of any general meeting may:
- (i) with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place; and if it appears to the chairman that it is likely to be impracticable to hold or continue that meeting because the number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting. If or an adjournment is otherwise necessary, in the reasonable opinion of the chairman, so that the business of the meeting may be properly conducted, the chairman may adjourn the meeting from time to time and place to place without the consent of the general meeting; and
 - (ii) adjourn the meeting to another time and place (or other places pursuant to Article 53) without the consent of the quorum if in the chairman's reasonable opinion the unruly conduct of persons attending the meeting prevents the continuation of the business of the meeting;
- (B) 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. Where a meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the directors. When a meeting is adjourned for thirty days or more sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner hereinafter mentioned as in the case of the original meeting.

- (C) In addition to (A) the chairman shall take such other action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of meeting and the chairman's decision on matters of procedure or matters arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

Notice of adjournment

- 68. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Amendments to resolutions

- 69. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon. In the case of a resolution duly proposed as an ordinary resolution no amendment (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon unless written notice of the proposed amendment and of the intention to move it has been left at the Office not less than forty-eight hours before the time appointed for the holding of the meeting at which the ordinary resolution is to be considered.

Methods of voting

- 70. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
 - (A) the chairman of the meeting; or
 - (B) not less than five members present in person or by proxy and entitled to vote; or
 - (C) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (D) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Poll

71. A demand for a poll may be withdrawn only with the approval of the chairman of the meeting. Unless a poll be demanded a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. If a demand for a poll is withdrawn the result of a show of hands declared before the demand was made shall remain valid and shall constitute the decision of the meeting on the resolution or issue in question.

Chairman's casting vote

72. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

When poll to be taken

73. 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 immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

Voting rights

74. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share held by him.

Votes of joint holders

75. 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 share.

Member under incapacity

76. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the directors may require, permit such receiver or other person to vote in person or by proxy on behalf of such member at any general meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

Objections or errors in voting

77. 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 invalidate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the 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 and shall only invalidate 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 conclusive.

Poll votes

78. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Proxy

79. A proxy need not be a member of the Company.

Instrument appointing proxy

80. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the directors may accept and:
- (A) in the case of an individual shall be signed by the appointor or by his attorney; and
 - (B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation.

The directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

In this article references to in writing include the use of electronic communications subject to such terms and conditions as the board may decide.

Lodgement of proxy

81. (A) The appointment of a proxy must, in the case of an appointment which is not contained in an electronic communication, be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the Transfer Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purpose of any subsequent meetings to which it relates.
- (B) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document, be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which an appointment contained in an electronic communication is made or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board, must, if required by the board, be received at the office (or such other place in

the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.

An appointment of a proxy which is not received in a manner so permitted shall be invalid. When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

Proxy demanding poll

82. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting, and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

Invalidation of proxy

83. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

In this article references to in writing include the use of electronic communications subject to such terms and conditions as the board may decide.

CORPORATIONS ACTING BY REPRESENTATIVES

Appointed representative

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

the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

Number of directors

85. Subject as hereinafter provided the directors shall not be less than four in number. The Company may by ordinary resolution from time to time vary the minimum number of directors and/or fix and from time to time vary the maximum number of directors.

Share qualification

86. The qualification of a director shall be the holding (whether in his own name or by his nominee) of shares of any class of the Company to the nominal value of not less than £500. The person elected or appointed may act before acquiring his qualification, but it shall be deemed a condition of his election or appointment that he shall acquire the said qualification within two months thereafter, and in default his office shall be vacated. A person vacating office under this article shall be ineligible for re-election or re-appointment as a director until he shall have obtained his qualification.

Expenses

87. The directors may repay to any director all such reasonable expenses as he may incur in attending and returning from meetings of the directors or of any committee of the directors or general meetings or otherwise in or about the business of the Company.

Age of directors

88. No person shall be disqualified from being appointed or elected as 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. It shall not be necessary by reason of a person's age to give special notice under the Statutes of any resolution in connection with his election. However, any director who is of the age of 70 or more shall retire in accordance with these Articles. Where the board convenes any general meeting of the Company at which (to the knowledge of the board) a director will be proposed for election or re-election who at the date for which the meeting is convened will have attained the age of 70 years or more, the board shall give notice of his age in years in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings, or any election or re-election of that director, at that meeting.

Additional remuneration

89. Any director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid additional remuneration by way of salary, commission or otherwise.

Pensions

90. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director who may hold or have held any executive office or any office or place of profit under the Company or any of its subsidiaries and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

Appointment to executive office

91. (A) The directors may from time to time appoint one or more of their body to be holder of any executive office by such title and on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.
92. The appointment of any director to the office of chairman or to any executive office shall automatically determine if he cease to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Delegation of powers

93. Subject as otherwise provided by these Articles the directors may entrust to and confer upon any director any of the powers exercisable by them as directors (other than the power to borrow and to make calls) upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

Vacation of office

94. The office of a director shall be vacated in any of the following events, namely:
- (A) if he shall become prohibited by law from acting as a director;

- (B) if he shall resign by writing under his hand left at the Office or if he shall tender his resignation and the directors shall resolve to accept the same;
- (C) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- (D) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- (E) if he shall be absent from meetings of the directors for six months without the consent of a majority of the other directors and the directors shall resolve that his office be vacated;
- (F) if he shall be removed from office by notice in writing served upon him signed by not less than three-quarters of the directors for the time being, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- (G) if he shall cease to hold the necessary qualification in shares of the Company or does not obtain the same within two months from the date of his appointment.

In this article references to in writing include the use of electronic communications subject to such terms and conditions as the board may decide.

Rotational retirement

95. At each annual general meeting at least one-third of the directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not greater than one-third) shall retire from office.

Determination of retiring directors

96. At each annual general meeting all those directors who have continuously held office at the time of the two preceding annual general meetings and did not retire at either of them shall retire. Any director who wishes to retire may also retire. A retiring director shall be eligible for re-election.

Identity of directors to retire

97. The directors to retire by rotation on each occasion shall be those of the directors who held office at the time of the two preceding annual general meetings and who did not retire at either of them. If the number of directors so retiring is less than the minimum number required by these Articles to retire by rotation, additional directors up to that number shall also retire. The additional directors to retire shall be those of the directors who have been longest in office since they were last elected; but, as between persons who were last elected on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. In addition, a director who would not otherwise be required to retire shall retire if he is aged 70 or more at the date of the meeting. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the board at start of business on the date of the notice convening the annual general meeting and no director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after that time on the date of the notice but before the close of the meeting.

Re-election

98. The Company at the meeting at which a director retires under any provision of these Articles may by ordinary resolution fill up the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default the retiring director shall be deemed to have been re-elected except in any of the following cases:
- (A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such director is put to the meeting and lost;
 - (B) where such director has given notice in writing to the Company that he is unwilling to be re-elected;
 - (C) where the default is due to the moving of a resolution in contravention of the next following article.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

Resolution for re-election

99. A resolution for the appointment of two or more persons as directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

Notice for re-election

100. No person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for appointment as a director at any general meeting unless not less than seven nor more than forty two clear days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

Removal from office

101. The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any director from office notwithstanding any provisions of these Articles or of any agreement between the Company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a director from office may be filled by the directors as a casual vacancy.

Appointment by Board

102. The directors shall have power at any time and from time to time to appoint any person to be a director either to fill a casual vacancy or as an additional director, but so that the total number of directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any director so appointed shall hold office only until the next annual general meeting and shall then be eligible for election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

The title “Director” for non-Directors

103. The directors may from time to time appoint any person to an office of employment having a designation or title including the word “director” or attach to any existing office of employment with the Company such a designation or title and may at any time determine any such appointment or the use of any such designation or title. The inclusion of the word “director” in the designation or title of such office of employment with the Company shall not imply that the holder thereof is a director of the Company nor shall such holder thereby be empowered in any respect to act as a director of the Company or be deemed to be a director for any of the purposes of these Articles.

ALTERNATE DIRECTORS

Appointment

104. (A) Any director may at any time and from time to time by writing under his hand and deposited at the Office, or delivered at a meeting of the directors, appoint any person to be his alternate director either generally or for a specific period or purpose and may in like manner at any time terminate such appointment. If the person appointed as alternate director is not himself a director, such appointment, unless previously approved by the directors, shall have effect only upon and subject to being so approved.
- (B) The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- (C) An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the directors and shall be entitled to attend and vote as a director at any such meeting at which the director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a director. If he shall be himself a director or shall attend any such meeting as an alternate for more than one director, his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the

directors shall be as effective as the signature of his appointor. To such extent as the directors may from time to time determine in relation to any committees of the directors the foregoing sentence shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

- (D) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses, and to be indemnified, by the Company to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such proportion (if any) of the remuneration payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (E) In this article references to by writing shall include the use of electronic communications subject to such terms and conditions as the board may decide.

MEETING AND PROCEEDINGS OF DIRECTORS

Calling/voting/notice

105. Subject to the provisions of these Articles the directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and, in particular, may meet together in any country, territory or state that they may determine. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. The chairman or any two directors may, and the secretary on the requisition of the chairman or any two directors shall, at any time summon a meeting of the directors. It shall not be necessary to send notice of a meeting of directors to any director for the time being absent from the United Kingdom but any such director may require that notice of any meeting of directors to be held during his absence shall be delivered to an address given for the purpose to the secretary. Any director may waive notice of any meeting and any such waiver may be retroactive. Any notice of a directors' meeting may be given by way of electronic communications and publication on a web-site in accordance with the Statutes.

Quorum

106. (A) The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be four persons. A meeting of the directors at which a

quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.

- (B) All or any of the directors may participate in a meeting of the directors by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is present.

Declaration of interest in contract

- 107. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes.

Permitted interests and voting

- 108. (A) Subject to the provisions of the Statutes and of paragraph (J) of this article, no director or proposed or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any director is in any way interested be liable to be avoided, nor shall any director who is so interested be liable to account to the Company or the members for any remuneration, profit or other benefit realised by the contract by reason of the director holding that office or of the fiduciary relationship thereby established.
- (B) A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Statutes) and upon such other terms as the board may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article.
- (C) A director may be or become a director or other officer of, or otherwise interested in, or contract with any company promoted by the Company or in which the Company may be interested or as regards which it has any power of appointment, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in or contract with the other company nor shall any such

contract be liable to be avoided. Subject to the Statutes and these articles, the board may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company. A director may also vote on and be counted in the quorum in relation to any of such matters.

- (D) A 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.
- (E) A director shall not vote on or be counted in the quorum in relation to any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another director to an office or place of profit with a company in which the Company is interested and the director seeking to vote or be counted in the quorum owns one per cent. or more of it.
- (F) Save as otherwise provided by these Articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board in respect of any contract in which he has an interest which (taken together with any interest of any person connected with him) is to his knowledge a material interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that material interest arises only from one or more of the following matters:-

- (i) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (ii) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (iii) where the Company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
- (iv) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- (v) any contract concerning any other company (not being a company in which the director owns one per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- (vi) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates both to directors and employees of the Company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
- (vii) any contract for the benefit of employees of the Company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (viii) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors or for, or for the benefit of, persons who include directors.

- (G) A company shall be deemed to be one in which a director owns one per cent. or more if and so long as (but only if and so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of that company or of the voting rights available to members of that company.
- (H) Where a company in which a director owns one per cent. or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (I) If any question shall arise at any meeting of the board as to the materiality of the interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be conclusive except in a case where the nature or extent of his interest (so far as it is known to him) has not been fairly disclosed to the board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman (so far as it is known to him) has not been fairly disclosed to the board.
- (J) A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract 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 is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this article, a general notice to the board by a director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.

- (K) References in this article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- (L) Subject to the provisions of the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any contract not properly authorised by reason of a contravention of this article.

Minimum number

109. The continuing directors may act notwithstanding any vacancies, 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 may act for the purpose of filling up such vacancies or of summoning general meetings of the Company, but not for any other purpose. If there be no directors or director able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

Electing Chairman

110. The directors may elect a chairman and determine the period for which he is to hold office. If no chairman shall have been appointed, or if at any meeting he is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

Resolutions in writing

111. A resolution in writing signed by all the directors shall be as effective as a resolution passed at a meeting of the directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the directors. In this article references to in writing include the use of electronic communications subject to such terms and conditions as the board may decide.

Participation in meetings by electronic means

112. All or any of the members of the board may participate in a meeting of the board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

Delegation to committee

113. The directors may delegate any of their powers or discretions (other than the powers to borrow and make calls) to committees consisting of such one or more members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the directors. The directors may also delegate any of their powers or discretions (other than the powers to borrow and to make calls) to committees including persons other than directors and may give such persons voting rights as members of such committee but so that:
- (A) the number of such persons shall be less than one-half of the total number of members of the committee; and
 - (B) no resolution of the committee shall be effective unless a majority of the members of the committee present throughout the meeting are directors.

Meetings of committees

114. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations made by the directors under the last preceding article.

Persons dealing in good faith

115. All acts done by any meeting of directors, or of any such committee of directors or by any person acting as a director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any such director, or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of the Committee and had been entitled to vote.

BORROWING POWERS

Borrowing powers and restrictions

116. (A) Subject as hereinafter provided and to the provisions of the Statutes, 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 outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (B) The directors 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 subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group (which expression in this article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the Adjusted Capital and Reserves.
- (C) For the purpose of the foregoing limit:
- (i) moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account;
 - (ii) moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion; for the purposes aforesaid “**minority proportion**” shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company.

- (D) In this article the expression “**Adjusted Capital and Reserves**” means at any material time a sum equal to the aggregate of:
- (i) the amount paid up on the issued share capital of the Company; and
 - (ii) the amount standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account or capital redemption reserve) after adding thereto or deducting therefrom any balance to the credit or debit of profit and loss account;

all based on a consolidation of the then latest available audited balance sheets of the Company and its subsidiaries but after making all such adjustments therein as in the opinion of the auditors are appropriate.

The determination of the Auditors as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned. For the purposes of this article the directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit hereinbefore contained is inadvertently exceeded an amount of borrowed moneys equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a determination of the auditors or otherwise the directors became aware that such a situation has or may have arisen.

- (E) No person dealing with the Company or any of its subsidiaries shall be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

By Statutes and Articles

117. The business and affairs of the Company shall be managed by the directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles to the provisions of the Statutes and to such regulations, being not inconsistent with

these Articles, as may be prescribed by special resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the directors which would have been valid if such regulation 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 directors by any other article.

Appointment to local boards/agencies

118. The directors may establish any 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, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors (other than the powers to borrow and to make calls), with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the directors may think fit, and the directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Attorney

119. The directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the directors, 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 directors under these Articles and other than the powers to borrow and to make calls) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Signing of financial instruments

120. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, 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 directors shall from time to time by resolution determine.

SECRETARY

Appointment and removal of secretary

121. The secretary shall be appointed by the directors on such terms and for such period as they may think fit. Any secretary so appointed may at any time be removed from office by the directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as joint secretaries. The directors may also from time to time appoint one or more assistant or deputy secretaries.

THE SEAL

Safe custody and authentication

122. (A) The directors shall provide for the safe custody of the Seal and any Securities Seal which shall not be affixed to any instrument without the authority of the directors or of a committee authorised by the directors in that behalf.
- (B) Every instrument to which the Seal shall be affixed shall be signed autographically by:
- (i) two directors; or
 - (ii) one director and the secretary or such other persons as the directors may appoint for the purpose (and if the secretary shall be a limited company, such company may nominate any person to act on his behalf); or
 - (iii) two other persons as may be appointed for the purpose by the directors;
- save that as regards any certificates for shares or debentures or other securities of the Company the directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed or reproduced by mechanical or electronic means or by laser printing or by such other means as they may from time to time decide.
- (C) The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.

AUTHENTICATION OF DOCUMENTS

Power to authenticate

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

DIVIDENDS

Declaration of dividends

124. The Company may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the directors. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.

Apportionment of dividends

125. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this article no amount paid on a share in advance of calls shall be treated as paid on the share.

Fixed dividends

126. If and so far as in the opinion of the directors the profits of the Company justify such payments, the directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends of such amounts and on such dates and in respect of such period as they think fit. A resolution of the directors declaring any such dividend shall (once published with their authority) be irrevocable and have the same effect as if such dividend had been declared upon the recommendation of the directors by an ordinary resolution of the Company.

Profits from acquired business

127. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

Non-bearing interest

128. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

Permitted deductions

129. The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

Retention

130. The directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Unclaimed

131. The directors may retain the dividends or other moneys payable on or in respect of a share if:
- (A) on at least three consecutive occasions dividend warrants in respect of the share have become payable and either have been left uncashed or have been returned to the Company; or
 - (B) the Company is not required pursuant to Article 151(B) to send any notices, documents or other communications to the holder of such share (or any person entitled to the member's share by transmission).

Transfer

132. The directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

Forfeiture of unclaimed dividends

133. The directors may pay any unclaimed dividend or other moneys payable on or in respect of a share into a separate account provided that such payment shall not constitute the Company a trustee in respect thereof. All moneys accruing and earned in relation to such moneys shall belong absolutely to the Company. Any dividend unclaimed after a period of twelve years from the date such dividend became due for payment shall, if the directors so resolve, be forfeited and shall revert to the Company.

Untraced shareholders

134. The Company may sell any certificated shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares at the best price reasonably obtainable at the time of sale if:-
- (i) the shares have been in issue either in certificated or uncertificated form throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;
 - (ii) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of funds by means of a relevant system at any time during the relevant period;

- (iii) so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares; and
- (iv) the Company has caused two advertisements to be published, one in a newspaper with a national circulation and the other in a newspaper circulating in the area in which the last known postal address of the holder of, or person entitled by transmission to, the shares or the postal address at which service of notices may be effected under the articles is located, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates.

For the purpose of this article:-

"the qualifying period" means the period of 12 years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (iv) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (i) to (iv) above have been satisfied.

To give effect to any sale of shares pursuant to this article the board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit.

Payment by other means

135. The Company may upon the recommendation of the directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the directors.

Cheque/warrant

136. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct or may be paid by inter-bank transfer or in accordance with some other means stipulated by such members or person or persons. Every such cheque or warrant shall be made payable to the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn or receipt of the moneys by the payee bank in the case of an inter-bank transfer shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

Payment date

137. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

Joint holders

138. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

Scrip dividends

139. With the prior approval of an ordinary resolution of the Company passed at a general meeting the directors may, in respect of any dividend proposed to be paid or declared at that general meeting or at any time prior to the end of the fifth annual general meeting held thereafter, offer Shareholders the right to elect to receive an allotment of additional Shares credited as fully paid in lieu of the whole or any part (to be determined by the directors) of such dividend. In any such case the following provisions shall apply:

- (A) a holder of Shares who elects to receive additional Ordinary Shares in lieu of a dividend, or part thereof, (an "**Electing Shareholder**") shall be entitled to be allotted that whole number of additional Shares nearest to, but not greater than, the number determined by the formula

$$\frac{(A - B)}{C} \text{ where:}$$

"A" = relevant cash dividend which the Electing Shareholder forgoes;

"B" = tax credit on that dividend; and

"C" = Market Price.

For this purpose, "**Market Price**" shall mean the average of the middle market quotations for the Company's Ordinary Shares on The Stock Exchange as derived from the Daily Official List for each of the first five business days on which the Company's Ordinary Shares are quoted "ex" the relevant dividend. A certificate or report by the Company's sponsor or auditor as to the Market Price shall be conclusive evidence of that fact;

- (B) if the directors determine to allow such right of election on any occasion they shall give notice in writing to the Shareholders of the right of election offered to them and shall issue forms of election and shall specify the procedure to be followed and the place at which, and the latest date and time by which, duly completed forms of election must be lodged in order to be effective; the directors may also issue forms under which Shareholders may elect to receive Shares instead of cash both in respect of the relevant dividend and in respect of future dividends not yet declared or resolved (and accordingly in respect of which the Market Price shall not have been determined);

- (C) the dividend, or that part of the dividend in respect of which a right of election has been accorded, shall not be payable on Shares in respect of which the share election has been made, (the “**Elected Shares**”) and in lieu of such dividend there shall be allotted to each Electing Shareholder the number of additional Ordinary Shares to which such Electing Shareholder is entitled pursuant to sub-paragraph (i) of this article.

For such purpose the directors shall capitalise, out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve fund or other undistributable reserve) or profit and loss account, as the directors may determine, a sum equal to the aggregate nominal value of all the additional Shares to be allotted to the Electing Shareholders and shall apply that sum in paying up in full the appropriate number of unissued Shares for allotment and distribution to and amongst the Electing Shareholders on the basis of allotment provided for by this article;

- (D) the additional Shares so allotted shall rank *pari passu* in all respects with the fully-paid Shares in issue on the record date for the relevant dividend save only as regards participation in the relevant dividend;
- (E) no fraction of any share shall be allotted. The directors may make provision whereby any fractional entitlements are accrued and/or retained (without interest) and in each case accumulated on behalf of the holder of the Elected Shares and such accruals or retentions are applied to the future allotment to or future cash subscription on behalf of such Shareholder of fully-paid Shares;
- (F) Article 141 shall apply *mutatis mutandis* to any capitalisation made pursuant to this article;
- (G) unless the directors shall on any occasion determine otherwise, rights of election shall not be made available to:
 - (i) the holders of American depositary receipts evidencing rights in relation to Shares;
 - (ii) any Shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the offer of rights of election under this article would or might in the opinion of the directors be unlawful;

- (H) in relation to any particular proposed dividend the directors may in their absolute discretion:
 - (i) withdraw the offer previously made to Shareholders to elect to receive additional Shares in lieu of the cash dividend (or part thereof); or
 - (ii) may disregard elections made pursuant to such offer at any time prior to the allotment of the additional Shares;

In either event, the directors' will pay a cash dividend to Electing Shareholders.

- (I)
 - (a) the directors shall give notice in writing to every Shareholder to whom they propose to offer the right of election and either with or following that notice shall send forms of election and specify the procedure to be followed and the place at which and the time by which duly completed forms of election must be lodged in order to be effective; and
 - (b) unless the board otherwise determines, or unless the Uncertificated Securities Regulations and/or the rules of the relevant system concerned otherwise require, the new Share or shares which a member has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared or paid in respect of his elected Shares shall be in uncertificated form (in respect of the member's elected Shares which were in uncertificated form on the date of the member's election) and in certificated form (in respect of the member's elected Shares which were in certificated form on the date of the member's election).

RESERVES

Reserve fund from profits

140. The directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the directors shall comply with the provisions of the Statutes.

CAPITALISATION OF PROFITS AND RESERVES

Shareholder rights

141. (A) The Company may upon the recommendation of the directors by ordinary resolution authorise the directors to capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account or otherwise available for distribution, and to appropriate the sum resolved to be capitalised to the Shareholders in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend on the Shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in one way and partly in the other: provided that share premium account and capital redemption reserve may only be applied hereunder in the paying up of unissued shares to be issued as fully paid.
- (B) Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully-paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the directors to make such provisions as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment credited as fully paid up of any shares or debentures to be issued upon such capitalisation and for matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

MINUTES AND BOOKS

Record of proceedings

142. The directors shall cause minutes to be made in books to be provided for the purpose:
- (A) of all appointments of officers made by the directors;
 - (B) of the names of the directors present at each meeting of directors and of any committee of directors;
 - (C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the directors and of committees of directors.

Retention

143. Any register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

Location and inspection

144. The books of account shall be kept at the Office, or at such other place within the United Kingdom as the directors think fit and shall always be open to the inspection of the directors. No member (other than a director) shall have any right of inspecting any account or book or documents of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the directors.

Documents laid before members

145. A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of the Company and to every other person who is entitled to receive notices of meetings from the

Company under the provisions of the Statutes or of these articles. Provided that this article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office provided further that if the Statutes so permit the Company need not send copies of these documents to members who do not wish to receive them but may send them such summary financial statement or other documents as may be authorised by the Statutes. For the purposes of this article sending includes using electronic communications and publication on a web site in accordance with the Statutes.

AUDITORS

Good faith

146. Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

Notice of general meetings

147. The auditor shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns him as auditor.

NOTICES

Method of despatch

148. Any notice or 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 cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid, or where appropriate, by sending it using electronic communications to an address for the time being notified

by the member concerned to the Company for that purpose or by publication on a web-site in accordance with the Statutes. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or other document is sent by the Company using electronic communications, it shall be deemed to have been received on the day following that on which it was sent. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. The accidental failure to send, or the non-receipt by any person entitled to receive it of, any notice or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

Joint holders

149. Any notice given to that one of the joint holders of a share whose name stands first in the Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

Notice to persons entitled by transmission

150. A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law upon supplying to the Company such evidence as the directors may reasonably require to show his entitlement to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, 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. Save as aforesaid any notice or document delivered or sent by post to, or where appropriate, sent using electronic communication to an address for the time being notified by the member concerned to the Company, for that purpose or by publication on a web-site in accordance with the Statutes, or left at the address of any member in pursuance

of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company have notice of his death or bankruptcy or liquidation be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

Address/receipt of notices

151. (A) Any members whose registered address is not within the United Kingdom and who gives to the Company a postal address within the United Kingdom at which notices or documents may be served upon or delivered to him shall be entitled to have notices or documents served on or sent or delivered to him at that address. Any member who registered address is not within the United Kingdom and who gives to the Company an address for the purposes of electronic communications may, at the discretion of the board, have notices or documents sent to him at that address. Otherwise, a member whose registered address is not within the United Kingdom shall not be entitled to receive any notice or document from the Company.
- (B) If at least three notices or other documents or communications (including any such document as is referred to in Article 146) sent to the address on the Register at the last known address of a member are returned to the Company and such member (or any person entitled to the member's shares by transmission) has not notified the Company of a new address to which communications from the Company are to be sent, the Company shall not be required to send any further notices or such other documents or communications to such member (or any person entitled to the member's shares by transmission) until notified of a new address within the United Kingdom for the service of notices.

Advertisement when postal strike

152. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date in at least two leading daily newspapers with national circulation and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

Requirement by Statutes

153. Nothing in any of the preceding five Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

WINDING-UP

Directors' power

154. The directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Division of assets

155. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of an extraordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as among the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

Indemnity to directors and officers

156. Subject to the provisions of and so far as may be consistent with the Statutes, every director, secretary or other officer of the Company shall be entitled to be indemnified by the Company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or

alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.

For the purposes of this article no person appointed or employed by the Company as an auditor is an “officer” of the Company.

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