

THE COMPANIES ACTS 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SPRUE AEGIS PLC

Ashfords
Solicitors

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THE COMPANIES ACTS 2006
PUBLIC COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
of
SPRUE AEGIS PLC**

Adopted by Special Resolution dated

PRELIMINARY

1. Other Regulations Excluded

The following regulations shall be the articles of association of the Company to the exclusion of any regulation or article prescribed by or pursuant to any statute concerning companies.

2. Interpretation

In these Articles the following definitions apply:

"the Act"	the Companies Act 2006 as amended, consolidated or re-enacted from time to time;
"address"	includes a number or address used for the purposes of sending or receiving documents or information by electronic means (including, in the case of any Uncertificated Proxy Instruction permitted pursuant to Article 76.2 an identification number of a participant in the relevant system concerned);
"Articles"	these articles of association as amended from time to time;
"Auditors"	the auditors of the Company from time to time;
"Board"	the board of Directors or the Directors present at a duly convened and quorate meeting of Directors or a duly authorised committee of the Directors as the context requires;
"Business Day"	a day (other than a Saturday or a Sunday) on which banks are open for business in London;
"certificated share"	a share in the capital of the Company that is not an uncertificated share and references to a share being held in certificated form shall be construed accordingly;
"clear days"	in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Company"	Sprue Aegis plc;

"Conflict"	has the meaning in Article 105;
"Director"	a director of the Company from time to time;
"document"	includes, unless otherwise specified, any document sent or supplied in electronic form;
"entitled by transmission"	in relation to a share, entitled as a consequence of the death or bankruptcy of a Member or of another event giving rise to a transmission of entitlement by operation of law;
"financial institution"	has the meaning in section 778 of the Act;
"Group"	the Company and any company which is a Subsidiary Undertaking of the Company from time to time;
"holder"	in relation to a share, the Member whose name is entered in the Register as the holder of that share;
"Interested Director"	has the meaning in Article 105;
"Listing Rules"	the latest edition of any listing rules issued by any stock exchange on which the shares of the Company are traded
"Member"	a member of the Company;
"month"	calendar month;
"Office"	the registered office of the Company for the time being or, in the case of sending or supplying documents or information by electronic means, the address specified by the Board for the purpose of receiving documents or information by electronic means;
"Prescribed Rate"	an annual rate of interest equal to 2 per cent above the base lending rate (or any equivalent or successor lending rate) published from time to time by Barclays Bank PLC in London being the base lending rate prevailing at the close of business in London on the day immediately preceding the day on which such rate falls to be determined;
"Register"	the register of Members;
"Seal"	the common seal of the Company and, as appropriate, any official or securities seal that the Company has or may be permitted to have under the Statutes;
"Secretary"	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
"Statutes"	the Act and the Uncertificated Securities Regulations and every other statute or statutory instrument, rule, order or regulation from time to time in force concerning companies so far as they apply to the

	Company;
"Sterling"	the lawful currency of the United Kingdom;
"Subsidiary Undertaking"	a subsidiary undertaking of the Company which is required by the Statutes to be included in consolidated group accounts of the Company;
"Uncertificated Securities Regulations"	the Uncertificated Securities Regulations 2001, including any modification of them or any regulations in substitution of them from time to time in force;
"Uncertificated Proxy Instruction"	has the meaning in article 76.2;
"uncertificated share"	a share in the capital of the Company which is recorded on the register as being held in uncertificated form and title to which may, by virtue of the Uncertificated Securities Regulations, be transferred by means of a relevant system and references to a share being held in uncertificated form shall be construed accordingly;
"United Kingdom"	Great Britain and Northern Ireland.

2.1. In these Articles, unless the context otherwise requires:

- 2.1.1. references to persons include references to natural persons and corporations;
- 2.1.2. words and expressions defined in the Statutes shall bear the same meaning in these Articles (but excluding any modification of the Statutes not in force at the date of these Articles and words and expressions expressly defined in these Articles) unless inconsistent with the subject or context;
- 2.1.3. words and expressions defined in the Uncertificated Securities Regulations shall bear the same meaning in these Articles (but excluding any modification of the Uncertificated Securities Regulations not in force at the date of adoption of these Articles and words and expressions expressly defined in these Articles) unless inconsistent with the subject or context;
- 2.1.4. where these Articles refer to a relevant system in relation to a share, the reference is to a computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the Uncertificated Securities Regulations, and references to an operator shall be to Crestco Limited or such other person as may for the time being be approved as operator under the Uncertificated Securities Regulations;
- 2.1.5. references to 'in writing' means the representation or reproduction of words, symbols or other information in a visible form by any method or

combination of methods, whether sent or supplied in electronic form or otherwise;

2.1.6. 'electronic form' and 'electronic means' have the meaning given in the Act.

2.2. In these Articles:

2.2.1. the headings are included for convenience only and do not affect the construction of these Articles.

2.2.2. words denoting the singular include the plural and vice versa; and

2.2.3. words denoting one gender include each gender and all other genders.

2.2.4. Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.

LIMITED LIABILITY

3. Limited Liability

3.1. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

SHARE CAPITAL

4. Power to attach class rights

4.1. Subject to the Statutes and without prejudice to any special rights attached to any class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached to them such special rights, conditions or restrictions as the Company may by ordinary resolution direct or failing such direction (but in the case of unclassified shares only) as the Board may determine. Where the equity share capital of the Company includes shares with different voting rights, the designation of each class of shares other than those with the most favourable voting rights will include the words "restricted voting" or "limited voting" or "non voting".

5. Authority of Board to allot shares

5.1. The Board has general and unconditional authority to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount equal to the section 551 amount, for each prescribed period.

6. Section 561 disapplication

6.1. The Board is empowered for each prescribed period to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by Article 5.1 as if section 561 of the Act did not apply to any such allotment, provided that its power shall be limited to:

6.1.1. the allotment of equity securities in connection with a pre-emptive issue; and

6.1.2. the allotment (otherwise than pursuant to Article 6.1.1) of equity securities up to an aggregate nominal amount equal to the section 561 amount.

7. Allotment after expiry

7.1. The Company may during a prescribed period make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after an authority given pursuant to Article 5.1 or a power given pursuant to Article 6.1 has expired. The Board may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if the authority or power pursuant to which that offer or agreement was made had not expired.

8. Definitions: Articles 5.1 to 8.1

8.1. In this Article and Articles 5.1, 6.1 and 7.1:

prescribed period means any period (not exceeding five years) for which the authority conferred by Article 5.1 is given by ordinary or special resolution stating the section 551 amount and/or the power conferred by Article 6.1 is given by special resolution stating the section 561 amount;

pre-emptive issue means an offer of equity securities to holders of ordinary shares or an invitation to holders of ordinary shares to apply to subscribe for equity securities and, if in accordance with their rights the Board so determines, holders of other equity securities of any class (whether by way of rights issue, open offer or otherwise) where the equity securities respectively attributable to the interests of holders of ordinary shares or holders of other equity securities (if applicable) are proportionate (as nearly as practicable) to the respective numbers of ordinary shares or other equity securities, as the case may be held by them, but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws or regulations of any territory or the requirements of any regulatory body or stock exchange;

section 551 amount means, for any prescribed period, the amount stated as such in the relevant ordinary or special resolution; and

section 561 amount means, for any prescribed period, the amount stated as such in the relevant special resolution.

9. Residual allotment powers

9.1. Subject to these Articles and the provisions of the Act relating to authority, pre-emption rights or otherwise and of any resolution of the Company in

general meeting passed pursuant to those provisions, and, in the case of redeemable shares, the provisions of Article 12:

9.1.1. all shares for the time being in the capital of the Company shall be at the disposal of the Board; and

9.1.2. the Board may reclassify, allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as it thinks fit.

10. Commissions

10.1. The Company may exercise all powers of paying commission and brokerage conferred or permitted by the Statutes. Subject to the Statutes and the rules of any stock exchange on which the Company's shares are traded, any such commission or brokerage may be satisfied in cash or by the allotment of fully or partly paid shares in the Company or the grant of an option to call for an allotment of shares or any combination of such methods as the Board may determine.

11. Trusts not recognised

11.1. Save as provided by these Articles or as ordered by a court of competent jurisdiction or otherwise required by law, no person shall be recognised (even when notice is given) by the Company as holding any share upon any trust and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share, other than an absolute right to the whole of the share in the registered holder.

12. Redeemable shares

12.1. Subject to the Statutes, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or of the Member. The Board may determine the terms, conditions and manner of redemption of shares provided that it does so before the shares are allotted.

13. Variation of class rights

13.1. Subject to the Statutes, the rights attached to any class of shares may be modified, varied or abrogated (a) in such manner (if any) as may be provided by those rights or (b) in the absence of provision, either with the consent in writing of the holders of at least three fourths in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of that class and then only subject to the provisions of section 630 of the Act. The rights attached to any class of share are not, unless otherwise expressly provided by these Articles or in the rights attaching to the shares of that class, deemed to be modified, varied or abrogated by the creation or issue of further shares ranking equally with every other share of that class or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Statutes and these Articles.

14. Class meetings

- 14.1. A separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting except that the necessary quorum (other than at an adjourned meeting) is 2 persons, present in person or by proxy, holding or representing by proxy at least one third in nominal value of the capital paid up on the issued shares of the class and, at an adjourned meeting, one person holding shares of the class in question present in person or by proxy, provided that where a person is present by proxy or proxies, he is treated as holding only the shares in respect of those proxies which are authorised to exercise voting rights. Any holder of shares of the class in question present in person or by proxy and entitled to vote at the meeting may demand a poll and shall be entitled on a poll to one vote for every share of that class of which he is the holder. No Member, other than a Director, is entitled to notice of a separate class meeting or to attend unless he is a holder of shares of that class and no vote may be given except in respect of a share of that class.

UNCERTIFICATED SHARES

15. Uncertificated Shares

- 15.1. Subject to the provisions of the Uncertificated Securities Regulations, the Board may permit shares of any class to be held in uncertificated form and to be transferred without a written instrument and by means of a relevant system and may determine that any class of shares shall cease to be a participating security. The provisions of the Uncertificated Securities Regulations shall apply notwithstanding any provisions in these Articles which would otherwise be inconsistent.
- 15.2. Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class is held in uncertificated form or is permitted in accordance with the Uncertificated Securities Regulation to become a participating security.

16. Company's rights in respect of uncertificated shares

- 16.1. Where any class of shares is a participating security and the Company is entitled under any provision of the Statutes, the Uncertificated Securities Regulations or the Articles to sell, transfer, dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the provisions of the Statutes, the Uncertificated Securities Regulations, the Articles and the facilities and requirements of the relevant system:
- 16.1.1. to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company;
- 16.1.2. to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;

16.1.3. to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice; and

16.1.4. to take any action that the Board considers appropriate to achieve the sale, transfer, disposal of, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of it.

SHARE CERTIFICATES

17. Right to share certificate

17.1. Subject to the Statutes, a person (except a financial institution in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) on becoming the holder of a share is entitled to receive within whichever is the earlier of (a) the time (if any) required by the Listing Rules and (b) 2 months after allotment (or such longer period as the terms of issue shall provide) or the lodgement of transfer, without payment, one certificate for all the certificated shares of each class registered in his name. In the case of joint holders, the Company shall not be bound to issue more than one certificate to all the joint holders and delivery of a certificate to any one of joint holders shall be sufficient delivery to all of them. Where part of the shares comprised in a certificate are transferred, the Member transferring is entitled, without payment, to a certificate for his retained holding. Certificated shares of different classes may not be included in the same certificate.

17.2. Every certificate shall be issued under the Seal or in accordance with Articles 132 or 133 or such other form of authentication as the Board may determine having regard to the terms of issue and the Listing Rules and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up on them.

17.3. No Member shall be entitled to more than one certificate in respect of any one share held by him.

18. Replacement certificates

18.1. Where a Member holds two or more certificates for certificated shares of one class, the Board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate.

18.2. At the request of a Member, the Board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the Member may specify) on surrender of the original certificate and on payment of such reasonable sum as the Board may determine.

18.3. If any share certificate is worn out, defaced, destroyed or lost, the Board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity (with or without security) and to payment of exceptional out of pocket expenses incurred by the Company in the

investigation of that evidence and the preparation of that indemnity and security as the Board may decide, but otherwise without charge and, where it is worn out or defaced, on delivery up of the old certificate.

CALLS ON SHARES

19. Calls

- 19.1. The Board may, subject to the provisions of these Articles and to any conditions of allotment, from time to time make such calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or premium) as it thinks fit and each Member shall (subject to receiving at least 14 clear days' notice specifying the time and place of payment) pay the amount of every call so made upon his shares to the Company at the time and place so specified.
- 19.2. A call may be made payable by instalments.
- 19.3. A call is deemed made as soon as the resolution of the Board authorising such call is passed and an entry in the minute book of a resolution of the Board making the call is conclusive evidence of the making of the call.
- 19.4. A call may be revoked or postponed in whole or in part as the Board may determine.
- 19.5. The joint holders of a share are jointly and severally liable to pay all calls in respect of the share. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made.

20. Interest on unpaid calls

- 20.1. If any amount in respect of any call or instalment of a call is not paid on or before the day appointed for payment, the person from whom the amount of the call or instalment is due shall pay interest on such amount at the Prescribed Rate from and including that date until but excluding the date of actual payment and all costs, charges and expenses that may have been incurred by reason of such non-payment. The Board may, if it thinks fit, waive payment of such interest or costs, charges or expenses in whole or in part.

21. Amounts due on allotment treated as calls

- 21.1. Any amount which by the terms of allotment of a share is made payable upon allotment or at any fixed date whether on account of the nominal amount of the share or premium, for all purposes of these Articles is deemed to be a call duly made and payable on the date fixed for payment and, in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such amount were a call duly made and notified.

22. Power to differentiate

22.1. The Board may, if it thinks fit, on the issue of shares differentiate between the holders of such shares as to the amount of calls to be paid and the time of payment of such calls.

23. Payment in advance

23.1. The Board may receive from any Member willing to advance the same, all or any part of the amounts uncalled and unpaid on shares held by him. The Board may pay interest on the amount paid in advance (until the same would, but for such advance, become presently payable) not exceeding, without the consent of the Company in general meeting, the Prescribed Rate as may be agreed between it and such Member.

FORFEITURE

24. Notice if call not paid

24.1. If a Member fails to pay in full any call or instalment of a call on or before the day appointed for payment, the Board may serve a notice on him or on a person entitled by transmission to the share in respect of which the call was made requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all costs, charges and expenses incurred by the Company by reason of such non-payment.

25. Shares liable to be forfeited

25.1. The notice shall name a further day (not being less than 14 clear days' from the date of service of the notice) on or before which, and the place where, the payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

26. Forfeiture

26.1. If the notice referred to in the previous Article is not complied with, any share in respect of which it has been given may, at any time before payment required by the notice has been made, be forfeited by a resolution of the Board. Such forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited share and not actually paid before forfeiture.

27. Notice after forfeiture

27.1. When a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder of the share or the person entitled by transmission to the share. An entry of the fact and date of forfeiture shall be made in the Register. No forfeiture is invalidated by an omission to give notice or to make those entries.

28. Disposal of forfeited share

28.1. Subject to the provisions of the Statutes, a forfeited share and all rights attaching to it shall become the property of the Company and may be sold,

re-allotted or otherwise disposed of either to the person who was its holder before such forfeiture or to any other person on such terms and in such manner as the Board shall think fit. At any time before a sale, re-allotment or disposal, the forfeiture may be cancelled on such terms as the Board may think fit. Where a forfeited share held in certificated form is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of a forfeited share to the transferee. Where a forfeited share held in uncertificated form is to be transferred to any person, the Board may exercise any of the Company's powers under Article 16.1 to effect the transfer of the share to that person. The Company may receive the consideration (if any) for the share on its disposal and may register the transferee as the holder of the share.

29. Arrears to be paid notwithstanding forfeiture

29.1. A Member whose shares have been forfeited shall cease to be a Member in respect of such shares and shall, if the share is a certificated share, surrender to the Company the certificate for the forfeited shares. He remains liable to pay and shall immediately pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest from the time of forfeiture until payment at the Prescribed Rate.

30. Evidence of forfeiture

30.1. A statutory declaration in writing that the declarant is the Secretary or a Director and that a share has been forfeited on a date stated in the declaration is conclusive evidence of the facts stated in the declaration as against all persons claiming to be entitled to the share and such declaration shall (subject, if necessary, to the execution of an instrument of transfer or transfer by means of the relevant system, as the case may be) constitute good title to the share. The person to whom the share is disposed of shall be registered as the holder of the share and is not bound to see to the application of the purchase money (if any) and his title to the share is not affected by any irregularity in or invalidity of the proceedings with reference to the forfeiture or disposal of the share.

31. Surrender

31.1. The Board may accept a surrender of any share liable to be forfeited under this Article and in that case references in the Articles to forfeiture shall include surrender.

LIEN

32. Lien on shares not fully paid

32.1. The Company has a first and paramount lien on every share (not being a share which is fully paid up) registered in the name of any Member, either alone or jointly with any other person, for an amount payable in respect of the share, whether the due date for the payment has arrived or not. The lien extends to all dividends from time to time declared or other moneys payable in respect of the share but the Board may at any time declare any share to be exempt, in whole or in part, from the provisions of this Article.

33. Enforcement of lien by sale

33.1. For the purposes of enforcing the lien the Company may sell, in such manner as the Board thinks fit, any share on which the Company has a lien, if the due date for payment of the relevant amounts has arrived and payment is not made within 14 clear days after a notice in writing, stating and demanding payment of the amounts presently payable and giving notice of intention to sell in default, has been given to the holder of the share or the person entitled by transmission to the share. To give effect to a sale, the Board may, if the shares are certificated shares, authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder or the person entitled by transmission to, or in accordance with the directions of, the purchaser. If the shares are uncertificated shares the Board may exercise any of the Company's powers under Article 16 to effect the transfer of the shares to, or in accordance with the directors of, the purchaser. The purchaser is not bound to see to the application of the purchase money and his title to the share is not affected by any irregularity in or invalidity of the proceedings connected with the sale.

34. Application of proceeds of sale

34.1. The net proceeds of a sale effected by the preceding Article, after payment of the costs of the sale, shall be applied in or towards payment or satisfaction of so much of the sum in respect of which the lien exists as is presently payable. Any residue shall (whether the shares sold are certificated shares or uncertificated shares), subject to a like lien for any moneys not presently payable as existed upon the shares prior to the sale and, if the shares sold are certificated shares, on surrender to the Company for cancellation of the certificate for the shares sold or the provision of an indemnity (with or without security) as to any lost or destroyed certificate required by the Board), be paid to the holder of or the person entitled by transmission to the shares immediately prior to the sale.

TRANSFER OF SHARES

35. Form of transfer

35.1. Subject to these Articles, any Member may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in such other form as the Board may approve and the instrument must be signed by or on behalf of the transferor and (except in the case of a share which is fully paid up) by or on behalf of the transferee but need not be under seal. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it.

35.2. All transfers of shares which are in uncertificated form may, unless the Uncertificated Securities Regulations otherwise provide, be effected by means of a relevant system.

36. Right to refuse registration

- 36.1. Subject to Article 44, the Board may refuse to register a transfer of a certificated share unless the instrument of transfer:
- 36.1.1. is in respect of only one class of shares;
 - 36.1.2. is in favour of not more than four joint transferees;
 - 36.1.3. is duly stamped (if required); and
 - 36.1.4. is delivered for registration to the Office or such other place as the Board may decide accompanied by the certificate for the shares to be transferred (save in the case of a transfer by a financial institution to whom no certificate was issued) and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.
- 36.2. The Board may impose restrictions upon the transfer of a certificated share which is not fully paid, provided that the restrictions are not such as to prevent dealings in the shares from taking place on an open and proper basis.
- 36.3. The Board may, in exceptional circumstances approved by the Listing Rules disapprove the transfer of a certificated share, provided that exercise of such powers does not prevent dealings in the Company's shares from taking place on an open and proper basis.
- 36.4. The Board may refuse to register the transfer of an uncertificated share in any circumstances permitted by the Listing Rules , the Uncertificated Securities Regulations and the rules and practices of the operator of the relevant system.

37. Notice of refusal to register

- 37.1. If the Directors refuse to register a transfer they shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company (in the case of a share in certificated form) or the date on which the operator instruction was received by the Company (in the case of a share in uncertificated form) send to the transferee notice of the refusal giving reasons for the refusal.

38. Fees on registration

- 38.1. No fee shall be charged for the registration of a transfer or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.

39. Retention of instruments of transfer

- 39.1. Subject to the following Article, all instruments of transfer which are registered may be retained by the Company but any instrument of transfer

which the Board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it.

40. Destruction of documents

- 40.1. The Company may destroy (a) all instruments of transfer or other documents (whether in hard copy or electronic form) on the basis of which any entry is made in the Register, at any time after the expiration of six years from the date of registration; (b) all dividend mandates or any variation or cancellation of them or notifications of change of address or name at any time after the expiration of two years from the date of recording them; (c) all cancelled share certificates at any time after the expiration of one year from the date of cancellation; and (d) any other document on the basis of which any entry in the Register is made at any time after the expiration of six years from the date an entry was made in the Register. It shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company.
- 40.2. The provisions of this Article shall apply only to the destruction of documents in good faith and without notice of any claim to the Company (regardless of the parties to the claim) that the document might be relevant to the claim.
- 40.3. Nothing contained in this Article imposes on the Company any liability in respect of the destruction of any such document earlier than provided for in this Article or in any case where the conditions of this Article are not fulfilled.
- 40.4. References in this Article to the destruction of any document include references to its disposal in any manner.
- 40.5. A document referred to in Article 40.1 may subject to the Act be destroyed or deleted at a date earlier than that authorised by this Article 40 provided that a copy of such document (whether made electronically, by microfilm, by digital imaging or by any other means) has been made and is retained until the end of the relevant period.

TRANSMISSION OF SHARES

41. On death

- 41.1. If a Member dies, the survivor or survivors (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. Nothing in these Articles releases the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

42. Election of person entitled by transmission

- 42.1. Any person becoming entitled by transmission to a share may, upon such evidence as to title being provided as the Board may require, elect either to

be registered himself as holder of the share or have a person nominated by him registered as holder. All the provisions of these Articles relating to the transfer of shares apply to any such notice or transfer as if the death or bankruptcy or other event giving rise to transmission had not occurred and the notice or transfer was executed by such Member.

- 42.2. If any person becoming entitled by transmission to a certificated share elects to be registered himself he shall give notice in writing to the Company to that effect. If he elects to have another person registered, and the share is a certificated share, he shall execute an instrument of transfer of the share to that person. If he elects to become holder or have another person registered and the share is an uncertificated share, he shall take any action the Board may require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share.
- 42.3. The Board may give notice requiring a person to make the election referred to in this Article. If that notice is not complied with within 60 days the Board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

43. Rights on transmission

- 43.1. Save as otherwise provided by these Articles, a person becoming entitled by transmission to a share shall be entitled to receive, and may give a good discharge for, all benefits arising or accruing on or in respect of the share and the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the person entitled by transmission is not entitled 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. Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease.

DISCLOSURE OF INTERESTS IN SHARES

44. Sanctions for failure to disclose interest in shares

- 44.1. Where notice is served by the Company under section 793 of the Act (a "section 793 notice") on a Member, or another person whom the Company knows or has reasonable cause to believe to be interested in shares held by that Member, and the Member or other person has failed in relation to any shares (the "default shares", which expression includes any shares issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within 14 days from the date of service of the section 793 notice, the following sanctions apply, unless the Board otherwise decides:
- 44.1.1. the Member is not entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll or to exercise other rights conferred by membership in relation to the meeting or poll; and

44.1.2. where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:

44.1.2.1.a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the Member is not entitled to elect, pursuant to Article 149, to receive shares instead of a dividend; and

44.1.2.2.no transfer of any of the default shares shall be registered unless (1) the transfer is an excepted transfer within the meaning given in article 47.1.3 or (2) the Member is not himself in default in supplying the information required and the Member proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer or (3) registration of the transfer is required by the Uncertificated Securities Regulations.

44.2. The Company may exercise any of its powers under Article 16 in respect of any default shares in uncertificated form.

45. Removal of sanctions

45.1. The sanctions under Article 44 cease to apply 7 days after the earlier of receipt by the Company of:

45.1.1. notice of registration of an excepted transfer, in relation to the default shares the subject of the excepted transfer; and

45.1.2. all information required by the section 793 notice, in a form satisfactory to the Board, in relation to any default shares.

46. Notice to person other than a Member

46.1. Where, on the basis of information obtained from a Member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the Member, but the accidental omission to do so, or the non-receipt by the Member of the copy, does not invalidate or otherwise affect the application of Article 44.

47. Interest in shares, failure to give information and excepted transfers

47.1. For the purpose of Articles 44 to 46:

47.1.1. "interested" has the same meaning as that set out in sections 820 to 825 of the Act;

47.1.2. reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having

given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;

47.1.3. "excepted transfer" means, in relation to shares held by a Member (a) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act); or (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in Part XVIII of the Financial Services and Markets Act 2000) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or (c) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares.

47.2. The provisions of Articles 44 to 47 are in addition and without prejudice to the provisions of the Statutes.

48. Fractions

48.1. If, as the result of consolidation and division or sub-division of shares, Members become entitled to fractions of a share, the Board may on behalf of the Members deal with the fractions as it thinks fit. In particular, the Board may:

48.1.1. sell fractions of a share to a person (including, subject to the Statutes, to the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons entitled (except that if the amount due to a person is less than £3, or such other sum as the Board may decide, the sum may be retained for the benefit of the Company). Where certificated shares are to be sold, the Board may authorise a person to execute an instrument of transfer of shares to, or in accordance with the directions of, the purchaser and may cause the name of the purchaser or transferee to be entered in the Register as the holder of the shares. Where uncertificated shares are to be sold, the Board may do all acts and things it considers necessary or expedient to effect the transfer of the shares to, or in accordance with the directions of, the purchaser. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale; or

48.1.2. subject to the Statutes, issue to a Member credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the Board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and

loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the Board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 151. In relation to the capitalisation the Board may exercise all the powers conferred on it by Article 151 without an ordinary resolution of the Company.

NAME OF THE COMPANY

49. Directors power to change name

49.1. Without prejudice to section 77 of the Act, the name of the company may be changed from time to time by a decision of the board.

GENERAL MEETINGS

50. Annual general meeting

50.1. An annual general meeting of the Company shall be held in each period of 6 months beginning with the day following the Company's accounting reference date and such meeting shall be specified as the annual general meeting in the notice calling it. Subject to the provisions of this Article and of the Statutes, the annual general meeting shall be held at such time and place as the Board shall appoint.

51. General meeting

51.1. All general meetings other than annual general meetings are called general meetings.

52. Convening of general meetings

52.1. The Board may convene a general meeting whenever it thinks fit. The Board must convene a general meeting on receipt of a requisition in accordance with the Statutes or, in default, a general meeting may be convened by such requisitionists, as provided by the Statutes. If at any time there are not sufficient Directors capable of acting to form a quorum of the Board any Director or any two Members may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board. In the case of a general meeting convened on a requisition or by requisitionists, no business other than that stated in the requisition or proposed by the Board shall be transacted.

53. Length and form of notice

53.1. At least 21 clear days' notice of every annual general meeting and at least 14 clear days' notice of every other general meeting shall be given, in the manner set out below, to such Members as are, under the provisions of these Articles, or the terms of issue of shares, entitled to receive such notices from the Company and to the Auditors provided that the Company may determine that only those persons entered on the Register at the close of business on a day determined by the Company, such day being no more than 21 days

before the day that notice of the meeting is sent, shall be entitled to receive such a notice. Every notice of meeting shall specify whether the meeting is an annual general meeting or a general meeting, the place, date and time of the meeting, the general nature of the business to be transacted at the meeting, if a meeting is convened to pass a special resolution, the intention to propose the resolution as a special resolution (as the case may be) and shall state, with reasonable prominence, that a Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

54. Meeting called on short notice

54.1. A meeting, although called by shorter notice than that specified in the preceding Article, is deemed to be duly called if it is so agreed:

54.1.1. in the case of an annual general meeting, by all the Members entitled to attend and vote at the meeting; and

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

55. Omission to send notice

55.1. Subject to the Statutes, the accidental omission to give notice of any meeting or, in cases where it is sent out with the notice, an instrument of proxy to, or the non-receipt of either by, any person entitled to receive notice does not invalidate any resolution passed or proceedings held at that meeting.

56. Quorum

56.1. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to vote, each being a Member or a proxy for a Member, shall be a quorum. The absence of a quorum does not prevent the appointment of a chairman in accordance with these Articles, which is not treated as part of the business of the meeting.

57. Chairman

57.1. The chairman of the Board or, in his absence, the deputy chairman shall preside at every general meeting; but if there is no chairman or deputy chairman or neither is willing or able to preside or if neither is present within 15 minutes after the time fixed for the start of the meeting, the Directors present shall choose a Director or, if only one Director is present and willing to act, he shall be chairman. In default, the Members present in person or by proxy shall choose one of their number to be chairman of the meeting.

58. Quorum not present

58.1. If within 15 minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of a general meeting a

quorum is not present, the meeting, if convened by or on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such time and place as the chairman of the meeting may decide.

- 58.2. At an adjourned meeting if a quorum is not present within 15 minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of the meeting the adjourned meeting shall be dissolved.
- 58.3. The Company shall give not less than 7 clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement.

59. Adjourned meeting

- 59.1. The chairman of the meeting may, with the consent of the meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place or for an indefinite period. Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to (1) secure the proper and orderly conduct of the meeting or (2) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or (3) ensure that the business of the meeting is properly dealt with.
- 59.2. Whenever a meeting is adjourned for 30 days or more or for an indefinite period, at least 7 clear days' notice, specifying the place, date and time of the adjourned meeting shall be given as in the case of an original meeting and the general nature of the business to be transacted.
- 59.3. Except in the circumstances set out in Articles 58.3 and 59.2, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

60. Accommodation of Members at meeting

- 60.1. If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all Members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a Member who is unable to be accommodated is able to (1) participate in the business for which the meeting has been convened and (2) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and (3) be heard and seen by all other persons present in the same way.

61. Security

61.1. The Board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The Board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

62. Order of meeting

62.1. The chairman shall take such action as he thinks fit to promote the orderly conduct of general meetings. The decision of the chairman on points of order, matters of procedure or matters arising incidentally out of the business of the meeting shall be final and conclusive, as shall be his determination, in good faith, whether any point or matter is of such a nature.

63. Director entitled to speak at General Meeting

63.1. A Director shall be entitled to attend and speak at any general meeting of, or at any separate meeting of the holders of any class of shares in, the Company.

64. Amendment of resolutions

64.1. If an amendment proposed to a resolution under consideration is ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution are not invalidated by an error in his ruling.

VOTING

65. Method of voting

65.1. At a general meeting, a resolution put to the vote of the meeting is decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by:

65.1.1. the chairman of the meeting; or

65.1.2. not less than 5 Members present in person or by proxy and entitled to vote at the meeting; or

65.1.3. a Member or Members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or

65.1.4. by a Member or Members present in person or by proxy 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.

65.2. Unless a poll is demanded and the demand is not withdrawn a declaration by the chairman of the meeting that a resolution has, on a show of hands, been

carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the minute book of the Company, is conclusive evidence of the fact without proof of the votes recorded in favour of or against such resolution.

66. Procedure on a poll

66.1. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time (not being more than 30 days from the date of the meeting or the adjourned meeting at which such poll is demanded) and place and in such manner as the chairman of the meeting directs and the result of the poll is deemed to be the resolution of the meeting at which the poll is demanded. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

66.2. If a poll is properly demanded, it shall be taken in such manner as the chairman directs. He may appoint scrutineers, who need not be Members, and may fix a time and place for declaring the result of the poll. The result of the poll is deemed to be the resolution of the meeting at which the poll is demanded.

66.3. The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand had not been made.

66.4. The demand for a poll (other than on the election of the chairman or on a question of adjournment) does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

67. Casting vote

67.1. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting is entitled to a further or casting vote in addition to the votes to which he may be entitled as a Member.

68. Objection to and error in voting

68.1. Any objection raised to the qualification of any voter, or to the counting of or failure to count any vote, does not invalidate the decision of the meeting on any resolution unless it is raised at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and only invalidates the decision of the meeting on any resolution if the chairman decides that the same is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman on such matters is final and conclusive.

69. Votes of Members

69.1. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares:

69.1.1. on a show of hands every member who is present in person or (being a corporation) by corporate representative and every proxy present who has been duly appointed by a member entitled to vote on the resolution shall have one vote except that:

69.1.1.1. if the proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he has one vote for and one vote against the resolution; or

69.1.1.2. if more than one person authorised by the same corporation purport to exercise the power to vote on a show of hands in respect of the same shares in the Company and exercise the power in the same way as each other, the power is treated as exercised in that way or if more than one person authorised by the same corporation purport to exercise the power to vote on a show of hands in respect of the same shares in the Company and do not exercise the power in the same way as each other, the power is treated as not exercised; and

69.1.2. on a poll every member who is present in person or (being a corporation) by corporate representative and every proxy shall have one vote for each share held by the member.

69.2. A member in respect of whom an order has been made by any Court having jurisdiction whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by any person authorised in that behalf by that Court either personally or by proxy if such evidence as the Board may reasonably require of the authority of the person claiming to exercise the right to vote is received at the Office (or other place specified in accordance with the Articles for the deposit of instruments of proxy) within the time limits prescribed by the Articles for the deposit of instruments of proxy for use at the meeting or adjourned meeting or poll at which such person is to vote.

69.3. If two or more persons are jointly entitled to 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 holders of the share and seniority is determined by the order in which the names stand in the Register.

70. Restriction on voting rights

70.1. No Member is entitled to be present or to be counted in the quorum or vote, either in person or by proxy, at any general meeting or at any separate meeting of the holders of a class of shares or on a poll or to exercise other

rights conferred by membership in relation to the meeting or poll, unless all calls or other moneys due and payable in respect of the share have been paid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of non-payment.

71. Voting by proxy

- 71.1. A proxy need not be a Member and a Member may appoint one or more than one person to act as his proxy.
- 71.2. A proxy shall have the right to exercise all or any of the rights of his appointor, or (where more than one proxy is appointed) all or any of the rights attached to the shares in respect of which he is appointed.
- 71.3. Unless his appointment provides otherwise, a proxy may attend, speak, vote or abstain on any resolution put to the vote at a shareholders' meeting.
- 71.4. Subject to Article 69, on a poll votes may be given in person or by proxy and a Member in person or by proxy and entitled to more than one vote need not, if he votes, use all of his votes or cast all the votes he uses in the same way.
- 71.5. Deposit of an instrument of proxy does not prevent a Member from attending and voting in person at the meeting or an adjournment or on a poll.
- 71.6. An instrument of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An instrument of proxy is valid for 12 months from the date of execution.
- 71.7. The Company shall be under no obligation to check whether a person appointed as a proxy for one or more members has voted in accordance with the instructions of such member or members and the role or roles of such proxy shall not be invalidated should any such instructions not have been followed.

72. Appointment of more than one proxy

- 72.1. If a Member appoints more than one person to act as his proxy the instrument appointing each proxy shall specify the shares held by the Member in respect of which each proxy is to vote and no Member may appoint more than one proxy (save in the alternate) to vote in respect of any one share held by that Member. When two or more valid but differing instruments of proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share.

73. Execution of proxy

73.1. The instrument appointing a proxy shall be in writing and, if the Board in its absolute discretion determines, may be contained in electronic form, in any such case in any common form or in such other form as the Board may approve, and:

73.1.1. if in hard copy, executed by the appointor, or his attorney duly authorised in writing, or if the appointor is a corporation, under its seal or under the hand of its officer or attorney or other person duly authorised to sign. The Directors may require evidence of authority of such officer or attorney; or

73.1.2. in the case of an appointment contained in electronic form, submitted by or on behalf of the appointor, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine.

74. Proxy valid though authority revoked

74.1. A vote given or poll demanded by a proxy or authorised representative of a company is valid notwithstanding termination of his authority unless notice in writing of the termination is received at the Office (or other place specified in accordance with the Articles for the deposit of instruments of proxy) or, where the appointment of proxy was contained in electronic form, at the address at which such appointment was duly received, one hour at least before the time fixed for holding the meeting or adjourned meeting at which the vote is given or (where the poll is taken other than 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.

75. Proxy can demand a poll

75.1. The instrument appointing a proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or other business which may properly come before the meeting or meetings for which it is given as the proxy thinks fit.

76. Deposit of proxy

76.1. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a copy of it notarially certified, or certified in some other way approved by the Board, shall be:

76.1.1. in the case of an instrument in writing (including, whether or not the appointment of proxy is contained in electronic form, any such power of attorney or other authority) be deposited at the Office or at such other place or places and in such location or locations as is or are specified in the notice convening the meeting or in any appointment of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

76.1.2. in the case of an appointment contained in electronic form, where an address has been specified for the purpose of receiving communications:

76.1.2.1. in the notice convening the meeting; or

76.1.2.2. in any instrument of proxy sent out by the Company in relation to the meeting; or

76.1.2.3. in any invitation contained in electronic form to appoint a proxy issued by the Company in relation to the meeting;

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

76.1.3. in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, deposited as required by Article 76.1.1 or 76.1.2 not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll; or

76.1.4. in the case of a meeting adjourned for less than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it was demanded, delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the Secretary or to a Director;

provided that the Board may specify, in any case, that in calculating the relevant period for deposit, no account shall be taken of any part of a day that is not a working day.

76.2. Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Directors may from time to time permit appointments of a proxy to be made by electronic form in the form of an Uncertificated Proxy Instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned)) and may in a similar manner permit supplements to or amendments or revocations of any such Uncertificated Proxy Instructions to be made by like means. The Directors may in addition prescribe the method for determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

76.3. An instrument of proxy not deposited or delivered in accordance with this Article is invalid.

77. Sending instrument of proxy

77.1. Subject to the Statutes, the Board may, at the expense of the Company, send to all or none of the persons entitled to receive notice of and to vote at a meeting, instruments of proxy (with or without provision for their return prepaid) either in blank or nominating in the alternative any one or more of the Directors or the chairman of the meeting or any other person or persons. If sent the instrument shall provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting.

78. Corporate Representatives

78.1. A corporation which is a member may, by resolution of its directors or other governing body, authorise one or more individuals to act (subject to the Statutes) as its representative or representatives at a meeting of the Company. The Company, or any person acting on its behalf may require evidence of the authority of a representative to act to be submitted, in such form as the Company may from time to time approve, before permitting that representative to exercise his powers.

78.2. The Company shall be under no obligation to check whether any person or persons authorised to act as the representative(s) of a corporation that is a member of the Company has voted in accordance with the instructions of such member and the vote or votes of such representative(s) shall not be invalidated should any instructions not have been followed.

APPOINTMENT OF DIRECTORS

79. Power of Company to appoint Directors

79.1. Subject to the Articles, the Company may, by ordinary resolution, appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the Board, but the total number of Directors may not exceed a maximum number fixed in accordance with the Articles.

80. Number of Directors

80.1. Unless and until otherwise determined by the Company by ordinary resolution the number of Directors is not subject to a maximum but must not be less than 2

81. Power of the Board to appoint Directors

81.1. The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the Board, but the total number of Directors may not exceed a maximum number fixed in accordance with the Articles. A Director so appointed shall hold office only until the dissolution of the annual general meeting following next after his appointment, unless he is reappointed during the meeting. A Director so retiring shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

EXECUTIVE DIRECTORS

82. Appointment of executive directors

82.1. The Board may appoint one or more of its body to hold executive office, including the office of managing or joint or assistant managing director. Any such appointments shall be on such terms (including remuneration) and for such period as the Board may determine, subject to the Statutes.

83. Termination of executive office

83.1. The appointment of any Director to any executive office may be terminated by the Board, without prejudice to any claim he may have for damages for breach of contract.

84. Powers of executive director

84.1. The Board may delegate to a Director holding any executive office any of the powers, authorities and discretions exercisable by the Board for such time and on such terms and conditions as it thinks fit. The Board may revoke or alter the terms and conditions of the delegation and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the executive Director.

ROTATION, RETIREMENT AND REMOVAL OF DIRECTORS

85. Vacation of office by Director

85.1. The office of a Director shall be vacated if:

85.1.1. he ceases to be a Director by virtue of any provision of the Statutes, is removed from office pursuant to any provision of the Articles or he becomes prohibited by law from being a Director; or

85.1.2. he becomes bankrupt, has an interim receiving order made against him or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or

85.1.3. a registered medical practitioner who is treating that Director gives a written opinion to the Company stating that the Director has become physically or mentally incapable of acting as a director and may remain so for more than three months; or

85.1.4. by reason of that Director's mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which that Director might otherwise have; or

85.1.5. he resigns by notice in writing to the Company delivered to the Secretary at the Office or tendered at a Board meeting; or

85.1.6. he does not attend any Board meetings for a period of 6 months; or

85.1.7. he is removed from office by notice in writing served on him signed by or on behalf of all the other Directors which removal shall be deemed to be an act of the Company and shall have effect without prejudice to any claim he may have for damages for breach of contract.

85.2. A resolution of the Board declaring a Director to have vacated office under the terms of this Article is conclusive as to the fact and grounds of vacation stated in the resolution.

86. No retirement on account of age

86.1. No person is incapable of being appointed a Director by reason of his having reached the age of 70 or any other age. Special notice is not required in connection with the appointment or approval of the appointment of such person. No Director is required to vacate his office because he has reached the age of 70 or any other age.

87. Retirement by rotation

87.1. At each annual general meeting one third of the Directors who are subject to retirement by rotation or if their number is not 3 or a multiple of 3 then the number nearest to but not exceeding one third shall retire from office. If the number of Directors subject to retirement by rotation is fewer than 3, one of such Directors shall retire.

88. Directors subject to retirement

88.1. Subject to the Statutes and the Articles, the Directors to retire by rotation at the annual general meeting in every year shall be in addition to any Director who wishes to retire and not to offer himself for reappointment and any Director to retire pursuant to Article 81. The Directors to retire by rotation shall be those Directors who have been longest in office since their last appointment or reappointment. As between 2 or more Directors who have been in office an equal length of time, the Directors to retire shall, in the absence of agreement, be selected from among them by lot. The Directors to retire on each occasion shall be determined on the basis of the composition of the Board at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the Directors after that time but before the close of the meeting.

89. Position of retiring Director

89.1. A Director who retires at an annual general meeting, whether by rotation or otherwise, may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

90. Deemed reappointment

90.1. The Company, at the meeting at which a Director retires by rotation, may fill the vacated office and, if it does not do so, the retiring Director is, if willing, deemed reappointed, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reappointment of such Director is put to the meeting and lost.

91. Eligibility of new Directors

91.1. No person other than a Director retiring at the meeting is eligible for appointment or reappointment as a Director at any general meeting unless he is recommended by the Board for election, or, not less than 7 nor more than 42 days before the day appointed for the meeting, notice in writing addressed to the Secretary at the Office has been given by a Member qualified to be present and vote at the meeting of his intention to propose such person for appointment or reappointment and notice in writing, signed by the person to be proposed, of his willingness to be appointed or reappointed.

92. Voting on resolution for appointment

92.1. Every resolution of a general meeting for the appointment or reappointment of a Director shall relate to one named person and a single resolution for the appointment or reappointment of 2 or more persons as Directors is void, unless an ordinary resolution that the resolution is proposed in this way has first been agreed to by the meeting without any vote being given against it.

93. Removal by ordinary resolution

93.1. In addition to any power of the Company under the Statutes to remove a Director, the Company may by ordinary resolution remove any Director before the expiration of his period of office (without prejudice to a claim for damages for breach of contract) and may, subject to the Articles, by ordinary resolution appoint another Director, who is willing to act, in his place. A person appointed in place of a Director so removed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or reappointed a Director.

DIRECTORS' REMUNERATION, EXPENSES AND BENEFITS

94. Directors' fees

94.1. There shall be available to be paid out of the funds of the Company to the Directors as fees in each year an aggregate sum not exceeding £25,000 as the Board may determine, such sum to be divided among such Directors in such proportions as the Board may decide or, in default of agreement, equally. Any Director holding the office of director for part of a year shall, unless otherwise agreed, be entitled only to a proportionate part of such fee. The Company may by ordinary resolution increase the amount of the fees payable under this Article. A fee payable pursuant to the provisions of this Article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the Articles and accrues from day to day.

95. Expenses

95.1. The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in the performance of their duties as Directors, including their expenses of travelling to and from meetings of the Board or committees of the Board or general meetings or separate

meetings of the holders of a class of shares and any expenses incurred by them in obtaining independent professional advice.

96. Remuneration of executive Directors

96.1. The remuneration of a Director appointed to hold employment or executive office in accordance with the Articles may be a fixed sum of money or in whole or in part by participation in profits or otherwise as the Board may determine and may be in addition to or instead of a fee payable to him for his services as Director pursuant to the Articles.

97. Additional remuneration

97.1. The Board may grant reasonable additional remuneration and expenses to any Director who, at the request of the Board, goes or resides abroad or renders any special or extra services to the Company, which may be paid by way of a lump sum, participation in profits or otherwise as the Board may determine.

98. Directors' pensions and other benefits

98.1. The Board may establish, maintain, participate in or contribute to or procure the establishment or maintenance of, participation in or contribution to any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are or were at any time in the employment or service of or who have at any time been Directors of the Company or of any company which is or was a member of the Group or any of their predecessors in business (and for any member of his family, including a spouse or former spouse or a person who is or was dependent on him). Any Director or former Director shall be entitled to participate in and retain for his own benefit any such donations, gratuities, pensions, allowances, benefits or emoluments. The Board may arrange for this to be done by the Company either alone or in conjunction with any other person.

98.2. Subject to the Statutes, the Board may establish and maintain any employees' share scheme, share option or share incentive scheme and establish and (if any such scheme so provides) contribute to any scheme for the purchase by or transfer, allotment or issue to trustees of shares in the Company or its holding company to be held for the benefit of employees (including Directors) of the Company and lend money to such trustees or employees to enable them to purchase such shares.

INTERESTS OF DIRECTORS

99. Permitted interests

99.1. Subject to the Statutes and to Article 100, a Director, notwithstanding his office:

99.1.1. may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director and on such terms as to remuneration and otherwise as the Board may arrange.

Any Director may act by himself or through his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services;

99.1.2. may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit and either as vendor, purchaser or otherwise;

99.1.3. may be a director or other officer of or employed by or a party to a contract, transaction, arrangement or proposal with or be otherwise interested in a company promoted by the Company or in which the Company is otherwise interested;

99.1.4. unless otherwise agreed, is not liable to account to the Company for any remuneration, profit or other benefit received by him by virtue of such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit.

100. Declaration of Director's interest

100.1. Without prejudice to the requirements of the Statutes, a Director who is in any way, directly or indirectly, interested in a contract, arrangement, transaction or proposal 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, arrangement, transaction or proposal is first taken into consideration, if he knows his interest then exists, or, in any other case, at the next meeting of the Board after he knows that he is or has become interested. For the purposes of this Article, a notice in writing in the manner set out in section 184 of the Act or a general notice in the manner set out in section 185 of the Act is a sufficient declaration of interest in relation to that contract, transaction, arrangement or proposal. An interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge is not treated as his interest.

101. Limitations on voting of interested Director

101.1. Except as provided in this Article, a Director may not vote in respect of any contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he is, to his knowledge, materially interested, directly or indirectly, otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. This prohibition does not apply to any resolution concerning any of the following matters namely:

101.1.1. the giving to him of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its Subsidiary Undertakings;

101.1.2. the giving to a third party of a guarantee, security or indemnity 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;

101.1.3.a contract, arrangement, transaction or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its Subsidiary Undertakings for subscription or purchase in which offer he 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;

101.1.4.a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise ("relevant company"), if he is not, directly or indirectly, the holder of or beneficially interested in one per cent. or more of a class of equity share capital of the relevant company or of the voting rights available to members of the relevant company or able to cause one per cent or more of those voting rights to be cast at his direction (and for the purposes of this Article, shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, shares comprised in a trust and in which the Director's interest is in reversion or is in remainder, if and so long as another person is entitled to receive the income from the trust, and shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder are disregarded);

101.1.5.a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or personal pension plan or employees' share scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by HM Revenue and Customs for taxation purposes or which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom the scheme or fund relates;

101.1.6.a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its Subsidiary Undertakings under which the Director benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom it relates;

101.1.7.a contract, arrangement, transaction or proposal concerning the maintenance or purchase of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.

102. Restrictions on voting

102.1. A Director may not vote or be counted in the quorum on a resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its

termination) of 2 or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In such cases each of the Directors concerned (if not otherwise debarred from voting under the Articles) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

103. Materiality of director's interest

103.1. If any question arises at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in a quorum, the question shall be decided by a resolution of the remaining Directors or committee members present at the meeting and in the case of an equality of votes the chairman (unless he is the Director the materiality of whose interest or entitlement to vote is in issue) shall have a second or casting vote which shall be conclusive and binding.

104. Director's interest extends to connected persons

104.1. For the purpose of Articles 99 to 104, the interest of a person who is for the purposes of the Statutes connected (within the meaning of section 252 of the Act) with a Director is treated as the interest of the Director and, in relation to an alternate director, the interest of the Director appointing him shall be treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. Articles 99 to 104 apply to an alternate director as if he were a Director otherwise appointed.

105. Authorisation of Situational Conflicts

105.1. The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**").

105.2. Any authorisation under this article 105 will be effective only if:

105.2.1. to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

105.2.2. any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

105.2.3. the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

105.3. Any authorisation of a Conflict under this article 105 may (whether at the time of giving the authorisation or subsequently):

105.3.1. extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

105.3.2. provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

105.3.3. provide that the Interested Director shall or shall not be entitled to vote or form part of the quorum in respect of any future decision of the directors in relation to any resolution related to the Conflict;

105.3.4. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

105.3.5. provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and

105.3.6. permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

105.4. Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

105.5. The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

105.6. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract, transaction or arrangement shall be liable to be avoided on such grounds.

POWERS AND DUTIES OF DIRECTORS

106. Powers of the Board

106.1. Subject to the Statutes, the Articles and to directions given by the Company in general meeting, the business of the Company shall be managed by the

Board, which may exercise all the powers of the Company. No alteration of the Articles and no direction made by the Company in general meeting invalidates any prior act of the Board which would have been valid if the alteration or direction had not been made. The general powers given by this Article shall not be limited by any special authority or power given to the Directors by any other Article.

107. Delegation to committees

107.1. The Board may delegate any of the powers, authorities and discretions exercisable by the Board for such time and on such terms and conditions as it thinks fit to a committee consisting of one or more Directors and (if it thinks fit) one or more other persons, but only if a majority of the members of the committee are Directors or alternate directors. The Board may grant the power to sub-delegate, may revoke or alter the terms and conditions of the delegation or discharge the committee in whole or in part and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the committee. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the Board and that power, authority or discretion has been delegated by the Board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

108. Local management

108.1. The Board may establish local or divisional boards or agencies for managing the affairs of the Company in a specified locality and may appoint any persons to be members of a local or divisional board or agency and may fix their remuneration and may delegate to any local or divisional board or agency any of the powers, authorities and discretions exercisable by the Board for such time and on such terms and conditions as it thinks fit. The Board may grant the power to sub-delegate, may revoke or alter the terms and conditions of the appointment or delegation and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the local or divisional board or agency and may authorise the members of any local or divisional board or agency (or any of them) to fill any vacancy and to act notwithstanding any vacancy. Subject to any terms and conditions imposed by the Board, the proceedings of a local or divisional board or agency with 2 or more members are governed by those Articles that regulate the proceedings of the Board, so far as applicable.

109. Power of attorney

109.1. The Board may by power of attorney or otherwise appoint any company, firm or person to be the agent or attorney of the Company and may delegate to that company, firm or person any of the powers, authorities and discretions exercisable by the Board for such purposes and for such time and on such terms and conditions as it thinks fit. The Board may grant the power to sub-delegate, may revoke or alter the terms and conditions of the appointment or delegation and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretions collaterally with the attorney or agent.

110. Exercise of voting powers

110.1. The Board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of such power in favour of the appointment of a Director as an officer or employee of that company or in favour of the payment of remuneration to the officers or employees of that company).

BORROWING POWERS

111. Borrowing powers

111.1. Subject to the following provisions of this Article, the Board may exercise all the powers of the Company to borrow money.

111.2. The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiary Undertakings so as to secure (as regards Subsidiary Undertakings so far as by such exercise they can secure) that the aggregate principal amount (including any premium payable on final repayment) remaining undischarged of all moneys borrowed by the Group does not at any time without the previous sanction of an ordinary resolution exceed a sum equal to 2 times the adjusted capital and reserves.

111.3. "Adjusted capital and reserves" means a sum equal to the aggregate of (a) the amount paid up on the allotted or issued share capital of the Company and (b) the amount standing to the credit of the consolidated capital and revenue reserves of the Group (including any share premium account and capital redemption reserve) plus or minus the credit or debit balance, as the case may be, of the consolidated profit and loss account all as shown in the then latest audited consolidated balance sheet of the Group but:

111.3.1. adjusted as may be appropriate to reflect any variation since the date of that balance sheet in the amounts referred to in paragraphs (a) and (b), including (a) any alteration resulting from any company becoming or ceasing to be a Subsidiary Undertaking since the date of the latest audited consolidated balance sheet of the Group and (b) any alteration which would result from any transaction contemplated at the time when the adjusted total of the share capital and reserves is being computed or from any transaction carried out contemporaneously;

111.3.2. after deducting any amounts attributable to goodwill (but after adding back goodwill arising on consolidation);

111.3.3. after adding back any sums set aside or providing for taxation;

111.3.4. after deducting the amount of all dividends declared, recommended, made or paid by a member of the Group to a person other than a member of the Group out of profits accrued up to and including the date of, but not provided for in, the latest audited consolidated balance sheet;

- 111.3.5. after making such other adjustments (if any) as the Auditors consider appropriate.
- 111.4. For the purposes of this Article, the following (if not otherwise taken into account) are deemed to be moneys borrowed:
- 111.4.1. the principal amount outstanding in respect of any debentures or of any loan capital (whether secured or unsecured) of any member of the Group which are not beneficially owned within the Group;
 - 111.4.2. the principal amount outstanding under any acceptance credit (not being an acceptance in relation to the purchase or sale of goods or services in the ordinary course of trading) opened by any bank or accepting house on behalf of or in favour of any member of the Group;
 - 111.4.3. the principal amount of any debentures or other borrowed moneys of any person outside the Group the redemption or repayment of which is guaranteed or secured or is the subject of an indemnity given by any member of the Group and the beneficial interest in which redemption or repayment is not owned by a member of the Group;
 - 111.4.4. any fixed or minimum premium payable on final redemption or repayment of any borrowings which constitute moneys borrowed for the purposes of this Article.
- 111.5. For the purpose of this Article the following are not and are deemed not to be moneys borrowed:
- 111.5.1. all intra Group borrowings;
 - 111.5.2. amounts borrowed for the purpose of and applied within six months of being made in repaying (with or without any premium) any borrowings which constitute moneys borrowed for the purposes of this Article;
 - 111.5.3. the proportion of the borrowings which constitute moneys borrowed for the purpose of this Article of a partly owned Subsidiary Undertaking which corresponds to the proportion of its equity share capital that is not beneficially owned, directly or indirectly, by another member of the Group;
 - 111.5.4. amounts borrowed for the purpose of financing any contract to the extent that any part of the price receivable by any member of the Group is guaranteed or insured by the Export Credits Guarantee Department or by any other governmental department fulfilling a similar function;
 - 111.5.5. temporary debit balances with the bankers of any member of the Group or shown in a member's own books of account arising by virtue of delay in clearing funds not exceeding 10 days;
 - 111.5.6. for a period of 12 months after the date on which a company becomes a member of the Group, moneys borrowed equal to the

amount of borrowings outstanding of such a company at the date when it becomes a member;

111.5.7.moneys advanced or paid to any member of the Group (or its agents or nominees) by customers of any member of the Group as unexpended customer receipts or progress payments pursuant to any contract between such customer and a member of the Group;

111.5.8.moneys held by any member of the Group whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants.

111.5.9.amounts due to trade creditors;

111.5.10.sums treated as moneys borrowed by a member of the Group by reason only of current accounting standards or other accounting principles or practice.

111.6. No lender or other person dealing with the Company shall be concerned to see or inquire whether the limit set out in this Article 111 is observed. No debt incurred or security given in excess of such limit is invalid or ineffectual except in the case of express notice given to the lender or the recipient of the security at the time when the debt is incurred or security given that the limit imposed by these Articles has been or will be exceeded.

111.7. A report or certificate of the Auditors as to the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times is conclusive and binding on all concerned. Nevertheless the Board may at any time act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed and if in consequence the limit on moneys borrowed set out in this Article is inadvertently exceeded, the amount of moneys borrowed equal to the excess may be disregarded for 90 days after the date on which by reason of a determination of the Auditors or otherwise the Board becomes aware that this situation has or may have arisen.

111.8. Borrowed moneys of the Company or any one or more of its Subsidiary Undertakings expressed in or calculated by reference to a currency other than Sterling shall be translated into Sterling by reference either to the rate of exchange specified in a forward purchase contract, back to back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange or, if there is no such agreement, to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if no such conversion was required or has yet taken place, by reference to the rate of exchange or approximate rate of exchange ruling on such date and determined on such basis as the Auditors may determine or approve.

112. Powers to mortgage

112.1. The Board may exercise all the powers of the Company to mortgage or charge all or part of the Company's undertaking, property and assets, both present and future, including uncalled capital and, subject to the Statutes,

may issue or sell any bonds, loan notes, debentures and other securities for such purposes and on such terms as it thinks fit and whether outright or as collateral security for a debt, liability or obligation of the Company or a third party.

PROCEEDINGS OF THE BOARD

113. Board meetings

113.1. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.

114. Quorum

114.1. The quorum necessary for the transaction of business may be decided by the Board and until decided otherwise is 2 persons present in person or by alternate director.

115. Notice of Board meetings

115.1. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Board.

115.2. It shall be necessary to give notice of a meeting of the Board to all the Directors and notice is deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent to him at his last known address or another address given by him to the Company for that purpose.

115.3. A Director may waive the requirement that notice be given to him of a Board meeting either prospectively or retrospectively.

115.4. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom save in any case where such absent Director leaves an address (either inside or outside the United Kingdom) or an address for the purposes of communication by electronic means in which case notice may be sent in hard copy or by electronic means to such address but the Company shall not be obliged to give the Director a longer period of notice than he would have been entitled to had he been present in the United Kingdom.

115.5. Neither the accidental failure to give notice of a meeting of the Board to any Director nor the non-receipt in any case of such notice if given shall invalidate the meeting or any resolution passed or business transacted at the meeting.

116. Voting

116.1. Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

117. Chairman of the Board

117.1. The Board may elect a chairman or deputy chairman, who shall preside at its meetings, but if no such chairman or deputy chairman is elected, or if at any

meeting neither the chairman nor deputy chairman is present within 5 minutes after the time fixed for the start of the meeting, the Board shall choose one of its number to be chairman of such meeting. The Board may decide the period for which he is or they are to hold office and may at any time remove him or them from office. A chairman or deputy chairman may hold executive office or employment with the Company.

118. Proceedings of a committee

118.1. Proceedings of a committee of the Board shall be conducted in accordance with any regulations that may from time to time be imposed upon it by the Board. Subject to those regulations and this Article, proceedings of a committee shall be governed by the provisions of these Articles regulating the proceedings of the Board, so far as applicable.

118.2. Where the Board resolves to delegate any of its powers, authorities and discretions to a committee of one or more Directors, notice of a meeting of that committee need only be given to the Director or Directors who form the committee.

119. Validity of proceedings of Board or committee

119.1. All acts done in good faith by any meeting of the Board or of a committee of the Board or by any person acting as a Director, alternate director or committee are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director or person acting or that they or any of them were disqualified from holding office or had ceased to hold office or were not entitled to vote, as valid as if every such person had been duly appointed and was qualified to be and had continued to be a Director, alternate director or member of a committee and entitled to vote.

120. Minutes of proceedings

120.1. The Board shall cause minutes to be made of all appointments of officers and committees made by the Board and of any remuneration fixed by the Board and the names of the Directors present at all meetings of the Board and committees of the Board, the Company or the holders of a class of shares or debentures and all orders, resolutions and proceedings of such meetings and any such minutes of any meeting, if purporting to be signed by the chairman of the meeting, or by the chairman of the next succeeding meeting shall be conclusive evidence without any further proof of the matters stated in them.

121. Participation by telephone

121.1. A Director or his alternate director may participate in a meeting of the Board or of any committee of the Board through the medium of conference telephone or other form of electronic communication notwithstanding that the Directors or committee members present may not all be meeting in one particular place if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. The meeting is 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 then is.

122. Board resolution in writing

122.1. A resolution in writing signed by or on behalf of all the Directors entitled to receive notice of a Board meeting and not being less than a quorum or by all members of a committee of the Board is as valid and effective as a resolution passed at a Board meeting (or committee, as the case may be) and may consist of several documents in the same form in hard copy or electronic form each duly signed by or on behalf of one or more of the Directors (or members of the committee) and any such resolution in writing need not be signed by an alternate director if it is signed by the Director appointing him and a resolution signed by an alternate director need not be signed by the Director appointing him.

123. Number of Directors less than minimum

123.1. If the number of Directors is reduced below the minimum number fixed by these Articles or decided by the Company by ordinary resolution, the continuing Directors or Director may act only for the purpose of appointing an additional Director or Directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no Director or Directors is or are able or willing to act, 2 Members may convene a general meeting for the purpose of appointing Directors. An additional Director appointed in this way holds office (subject to the Articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

ALTERNATE DIRECTORS

124. Appointment

124.1. A Director (other than an alternate director) may, by notice delivered to the Secretary at the Office, or in any other manner approved by the Board including by electronic means to an address provided for that purpose, appoint another Director or any other person approved by the Board and willing to act to be his alternate director. No appointment of an alternate director who is not already a Director is effective until his consent to act as a Director in the form prescribed by the Statutes is received at the Office. An alternate director need not be a Member and is not counted in reckoning the number of Directors for the purpose of Article 80.

125. Participation in Board meetings

125.1. An alternate director is (subject to his giving to the Company an address at which notice may be served upon him) entitled to notice of meetings of the Board and all committees of the Board of which the Director appointing him is a member and to attend and vote and be counted in the quorum as a Director at any such meeting at which the Director appointing him is absent and to exercise all the powers, rights, duties and authorities of the Director appointing him. If the alternate Director is a Director or if he shall attend a meeting as an alternate for more than one Director, he has a separate vote at meetings of the Board and committees of the Board for each Director for whom he acts as alternate director but he counts as only one for the purpose of determining whether a quorum is present.

126. Remuneration and expenses

126.1. The fee payable to an alternate director shall be payable out of the fee payable to the Director appointing him and shall consist of such portion (if any) of the fee as shall be agreed between the alternate director and the Director appointing him. The Company shall, however, repay to an alternate director expenses incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him had he been a Director.

127. Revocation of appointment

127.1. A Director may, by notice delivered to the Secretary at the Office, revoke the appointment of his alternate director. If a Director dies or ceases to hold the office of Director, the appointment of his alternate director ceases automatically. If a Director retires at any meeting (whether by rotation or otherwise) but is reappointed by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his reappointment as if he had not so retired. The appointment of an alternate director ceases on the happening of an event which, if he were a Director otherwise appointed, would cause him to vacate office.

128. Responsibility

128.1. An alternate director is not deemed to be the agent of the Director appointing him but is responsible for his own acts and defaults and is deemed to be an officer of the Company.

ASSOCIATE DIRECTORS

129. Appointment of associate director

129.1. The Board may appoint any person, not being a Director, to be an associate director of the Company or to an office or employment having a designation or title including the word "director" or may attach to an existing office or employment that designation or title and may terminate the appointment or use of that designation or title.

130. Effect of appointment

130.1. The appointment of a person to be an associate director or the inclusion of the word "director" in the designation or title of an office or employment shall not, save as otherwise agreed between him and the Company, affect the terms and conditions of his employment and shall not imply that the person has power to act as a Director or is entitled to receive notice of or attend or vote at meetings of the Directors and he is not deemed to be a Director for any of the purposes of these Articles.

131. Powers, duties and remuneration

131.1. The powers, duties and remuneration of an associate director or of any person having a designation or title including the word "director" shall be

determined by the Board and the Board shall have the right to enter into any contract on behalf of the Company or transact any business of any description without the knowledge or approval of such persons, except that no act shall be done that would impose any personal liability on any or all of such persons except with his or their knowledge and consent.

SEALS

132. Application of seals

132.1. A seal may be used only by the authority of a resolution of the Board or a committee of the Board. The Board may decide who will sign an instrument to which a seal is affixed (or, in the case of a share certificate, on which the seal may be printed) either generally or in relation to a particular instrument or type of instrument. The Board may also decide, either generally or in a particular case, that a signature may be dispensed with or applied by mechanical means.

133. Signing of sealed documents

133.1. Unless otherwise decided by the Board, certificates for shares or debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed and every other instrument to which a seal is affixed shall be signed by two authorised signatories (within the meaning of section 44(3) of the Act) or by a Director in the presence of a witness who attests the signature.

SECRETARY

134. Appointment and removal of Secretary

134.1. Subject to the Statutes, the Board shall appoint and may remove a Secretary or joint Secretaries and may appoint and remove one or more assistant or deputy Secretaries on such terms and conditions as it thinks fit.

135. Authority of other person to act as Secretary

135.1. Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary may, if the office is vacant or there is no Secretary capable of acting, be done by or to any joint assistant or deputy secretary or, if there is no joint, assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board. Any provision of the Statutes or of the Articles requiring or authorising a thing to be done by or to a Director and the Secretary is not satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

136. Authentication of documents

136.1. Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or holders of a class of shares or the Board or any committee of the Board and

any books, records, documents and accounts relating to the business of the Company whether in hard copy or electronic form and to certify copies or extracts as true copies or extracts.

REGISTERS

137. Registers

137.1. The register of Directors and Secretaries, the register of charges, the Register, the register of interests in shares, any overseas branch register and all other associated registers and indices shall be kept in accordance with the Statutes and the fee to be paid by a person other than a creditor or Member for each inspection of any register is the maximum sum prescribed by the Statutes or, failing which, decided by the Board.

DIVIDENDS

138. Record dates

138.1. Notwithstanding any other provision of the Articles, but subject to the Statutes and any preferential or other special rights attached to shares, the Company or the Board may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

139. Entitlement to dividends

139.1. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid. Dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share is issued on terms that it shall rank for dividend as from a particular date then it shall rank for dividend as from that date. No amount paid up on a share in advance of a call may be treated as paid up for the purpose of this Article.

140. Declaration of dividends

140.1. Subject to the Statutes and the Articles, the Company may by ordinary resolution declare a dividend to be paid to the Members according to their respective rights and interests. No dividend shall exceed the amount recommended by the Board.

141. Interim dividends

141.1. Subject to the Statutes, the Board may declare and pay to the Members such interim dividends (including a dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution. If the share capital of the Company is divided into different classes, the Board may pay interim dividends in respect of shares which rank after shares conferring preferred rights, unless at the time of payment a preferential dividend is in arrears. If the Directors act in good faith they shall

not incur any liability to the holders of shares conferring preferred rights for any loss that they may suffer by reason of the lawful payment of an interim dividend on any shares ranking after those with preferred rights.

142. Payment of dividends in kind

142.1. The Board may, with the prior authority of an ordinary resolution of the Company, direct that dividends may be satisfied in whole or in part by the distribution of specific assets including paid up shares, debentures or other securities of any other company. The Board may make all such valuations, adjustments and arrangements and issue all certificates or documents of title as may seem to it to be expedient with a view to facilitating the distribution and may vest assets in trustees on trust for the persons entitled to the dividend as may seem to the Board to be expedient.

143. Method of payment

143.1. The Company may pay any dividend, interest or other amount payable in cash in respect of any share by cheque, dividend warrant or money order or by direct debit or a bank or other funds transfer system or by such other method as the holder or joint holders of the share in respect of which the payment is made may in writing direct.

143.2. In respect of uncertificated shares, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other amount by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system).

143.3. Any joint holder may give an effective receipt for a dividend, interest or other amount paid in respect of the share.

143.4. The Company may send a cheque, warrant or order by post (1) in the case of a sole holder, to his registered address or (2) in the case of joint holders, to the registered address of the person whose name stands first in the Register or (3) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with Article 164 or (4) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.

143.5. Payment of the cheque, warrant or order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank or other transfer or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company.

143.6. Every cheque, warrant or order is sent at the risk of the person entitled to the payment and shall be made payable to or to the order of the person or persons entitled or to such other person as the holder or joint holders may in writing direct.

143.7. Every such payment made by direct debit or a bank or other funds transfer or by another method at the direction of the holder or joint holders shall be made

to the holder or joint holders or to or through such other person as the holder or joint holders may in writing direct.

143.8. In respect of uncertificated shares, every such payment made by means of the relevant system concerned shall be made in such manner as may be consistent with the facilities and requirements of the relevant system concerned.

143.9. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account (being an account so designated by the operator of the relevant system concerned) of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.

143.10. The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made by direct debit, bank or other funds transfer system or such other method shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled to it, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.

144. Cessation of payment of dividend

144.1. If a cheque, warrant or order in respect of a dividend, or other amount payable in respect of a share, is returned undelivered or left uncashed or transfer made by a bank or other funds transfer systems is not accepted on 2 consecutive occasions; or one occasion and the Board, on making reasonable enquiries, has failed to establish any new address or account of the person concerned then the Board may determine that the Company shall cease sending or transferring a dividend, or other amount payable in respect of that share, to the person concerned until he notifies the Company of an address or account to be used for that purpose.

145. Dividends do not bear interest

145.1. No unpaid dividend, or other amount payable in respect of a share, bears interest as against the Company unless otherwise provided by the rights attached to the share.

146. Deduction from dividend

146.1. The Board may deduct from any dividend or other amounts payable to a person in respect of a share, either alone or jointly with any other person, all amounts due from him, either alone or jointly with any other person, to the Company on account of calls or otherwise in respect of a share.

147. Unclaimed dividends

147.1. All unclaimed dividends, interest or other amounts payable by the Company in respect of a share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the payment of any unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account or the investment of it does not constitute the Company a trustee in respect of it. Any dividend which has remained unclaimed for a period of 12 years from the date it became due for payment is forfeited and ceases to remain owing by the Company.

148. Dividend may be withheld

148.1. Without prejudice to Articles 44 to 47, the Board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his right that the Board may reasonably require.

149. Payment of scrip dividends

149.1. Subject to the Statutes, but without prejudice to Article 44, the Board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares, in either case paid up ("new shares"), instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the Board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

149.2. Where a resolution under Article 149.1 is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting.

149.3. A resolution under Article 149.1 may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.

149.4. The Board may make any provision it considers appropriate in relation to an allotment made pursuant to this Article, including but not limited to:

149.4.1. the giving of notice to holders of the right of election offered to them;

149.4.2. the provision of forms of election (whether in respect of a particular dividend or dividends generally);

149.4.3. determination of the procedure for making and revoking elections;

149.4.4. the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and

149.4.5. the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the Members concerned).

149.5. The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made ("elected shares"); instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in Article 149.4. For that purpose, the Board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the Board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 151. In relation to the capitalisation the Board may exercise all the powers conferred on it by Article 151 without an ordinary resolution of the Company.

149.6. The new shares will rank equally with each other and with every other paid share of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

RESERVES

150. Provision of reserves

150.1. The Board may, before recommending any dividend, set aside out of the profits of the Company (including any premiums received upon the issue of debentures or other securities or rights of the Company) such amounts as it thinks proper as a reserve fund or funds which shall at the discretion of the Board be applicable for any purpose for which the profits of the Company may lawfully be applied. The Board may employ the amounts in the business of the Company or invest the same in such securities (other than the shares of the Company or its holding company) as it may select. The Board may also from time to time carry forward such amounts as it may deem expedient not to distribute.

151. Capitalisation of profits and reserves

151.1. Subject to the Statutes, the Board may, with the authority of an ordinary resolution of the Company:

151.1.1. resolve to capitalise an amount standing to the credit of reserves or to the credit of the profit and loss account and whether or not available for distribution and appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of ordinary shares (whether or not paid up) held by them respectively and to apply that sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such Members

respectively or in paying up in full shares or debentures of the Company of a nominal amount equal to such sum and allot such shares or debentures, paid up, to and amongst such Members in those proportions or partly in one way and partly in the other. Any sums standing to the credit of a share premium account and a capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in the paying up of shares to be allotted to Members credited as paid up;

151.1.2. make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and, in particular, where shares or debentures become distributable in fractions, the Board may deal with the fractions as it thinks fit, including by the issue of certificates in respect of fractional entitlements, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the Members (except that if the amount due to a Member is less than £3, or such other sum as the Board may decide, the sum may be retained for the benefit of the Company);

151.1.3. authorise a person to enter into, on behalf of all the Members concerned, an agreement with the Company providing for either 1) the allotment to the Members, paid up, of shares or debentures to which they may be entitled on the capitalisation or 2) the payment by the Company on behalf of the Members (by applying their respective proportions of the reserves resolved to be capitalised), of the amounts remaining unpaid on their existing shares. An agreement entered into under this Article is effective and binding on all affected Members; and

151.1.4. generally do all acts and things required to give effect to the resolution.

ACCOUNTS

152. Inspection of accounts

152.1. The books of account and accounting records shall be kept at the Office or, subject to the Statutes, at such other place or places as the Board thinks fit and shall be open to the inspection of any Director or other officer during business hours.

152.2. No Member (not being a Director or other officer) has any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Board or by an ordinary resolution of the Company.

153. Preparation of accounts

153.1. The Board shall, in accordance with the Statutes, cause to be prepared and to be laid before the Company in general meeting such profit and loss

accounts, balance sheets, Group accounts (if any) and reports as are referred to in the Statutes.

154. Accounts sent to the Members

154.1. Subject to the Statutes, either:

154.1.1.a printed copy of every Directors' report and Auditors' report accompanied by the Company's annual accounts and every document required by law to be attached to them; or

154.1.2.where permitted by the Statutes, a summary financial statement derived from the Company's annual accounts prepared in accordance with the Statutes;

shall not less than 21 clear days before the date of the general meeting at which they are required to be laid be delivered or sent to every Member (whether or not entitled to receive notices of general meetings) and to every holder of debentures of the Company (whether or not entitled to receive notices of general meetings) and to every other person who is entitled to receive notices of general meetings from the Company under the provisions of the Statutes or of these Articles. This Article does not require a copy of such documents to be sent or delivered to any Member or holder of debentures of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures; but any Member or debenture holder 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.

154.2. The accidental omission to deliver or send a copy of any document required to be delivered or sent to any person pursuant to this Article or the non-receipt of any document by any person entitled to receive it does not invalidate any such document or the proceedings at any general meeting.

UNTRACED SHAREHOLDERS

155. Power of sale

155.1. The Company is entitled to sell at the best price reasonably obtainable any share of a Member or any share to which a person is entitled by transmission if:

155.1.1.during a period of 12 years prior to the date of the publication of the advertisements referred to in Article 155.1.2 (or, if published on different dates, the earlier date) at least 3 dividends (whether interim or final) in respect of the share in question have been paid and all warrants, orders and cheques in respect of the share sent in the manner authorised by these Articles have been returned undelivered or remained uncashed or mandated dividend payments have failed and no communication has been received by the Company from the Member or person entitled by transmission; and

155.1.2.the Company, on expiry of the period of 12 years, has inserted advertisements in a national daily newspaper and in a newspaper circulating in the area of the registered address of the Member, or

other person entitled by transmission, appearing in the Register or the last known address given by the Member or other person, giving notice of its intention to sell the share; and

155.1.3.during the period of 3 months following the publication of the advertisements (or, if published on different dates, the later of the 2 advertisements) and prior to the date of sale the Company has not received any communication from the Member or person entitled by transmission; and

155.1.4.notice has been given to the operator of any stock exchange on which the Company's shares are traded of its intention to sell the share.

155.2. If, during the period of 12 years or a further period ending on the date when all the requirements of Article 155.1 have been satisfied, an additional share has been issued in respect of that held at the beginning of, or previously issued during, those periods and all the requirements of Article 155.1 (but modified to exclude reference to periods of 12 years) are satisfied in respect of the additional share, the Company is entitled to sell the additional share.

155.3. To give effect to any such sale, the Board may:

155.3.1.in relation to certificated shares, appoint any person to execute as transferor an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser and such instrument of transfer shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, such shares; and

155.3.2.in relation to uncertificated shares, exercise any of the Company's powers under Article 16 to effect the transfer of the shares to, or in accordance with the directions of, the purchaser and the exercise of such powers shall be as effective as if exercised by the registered holder of, or person entitled by transmission to, such shares

and the transferee is not bound to see to the application of the purchase money and the title of the transferee is not affected by any irregularity or invalidity in the proceedings relating to the sale.

156. Application of proceeds of sale

156.1. The net proceeds of sale shall belong to the Company which shall be obliged to account to the Member or other person entitled by transmission for an amount equal to such proceeds and shall enter the name of such Member or other person in the books of the Company as a creditor for such amount. No trust is created and no interest is payable in respect of the debt and the Company is not required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested as the Directors think fit.

COMMUNICATIONS

157. Manner of Communications

157.1. Any documents or information to be sent or supplied by or to the Company may be sent or supplied in hard copy form, in electronic form or by means of a website to the extent permitted by the Act, including without limitation the Company Communications Provisions of the Act, and these Articles.

157.2. A reference in sections 157 to 167 of these Articles to a document or information includes a notice to be sent, given or supplied to or by a person pursuant to these Articles.

157.3. The Company Communications Provisions of the Act have effect for the purposes of any provision of the Companies Acts or these Articles that authorises or requires notices, documents or information to be sent or supplied by or to the Company.

158. Communications by the Company by means of a Website

158.1. A document or information may be sent or supplied by the Company to a person by being made available on a website only if the person:-

158.1.1. has agreed (generally or specifically) that the document or information may be sent or supplied to him or her in that manner; or

158.1.2. is taken to have so agreed in accordance with the Act; and

158.1.3. has not revoked that agreement.

159. Notice to joint holders

159.1. In the case of joint holders of a share, a notice or other document shall be given to whichever of them is named first in the Register and notice given in this way is sufficient notice to all the joint holders.

159.2. Anything to be agreed or specified in relation to documents or information to be sent or supplied to joint holders, may be agreed or specified by that one of the joint holders whose name appears first in the register.

160. Address outside the United Kingdom

160.1. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address in the United Kingdom at which documents or information may be sent or supplied to him or her in hard copy form, or an address to which documents or information may be sent or supplied to him or her by electronic means, is not entitled to have documents or information sent or supplied to him or her by the Company.

161. Deemed notice

161.1. A Member present in person or by proxy at a general meeting or a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

162. Evidence of service

162.1. Where a document or information is sent or supplied by post, service or delivery shall be deemed to be effected at the expiration of 24 hours after the time when the cover containing the same is posted (irrespective of the class or type of post used) and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed and posted.

162.2. Where a document or information is sent or supplied by electronic means to an address specified for the purpose by the intended recipient, service or delivery shall be deemed to be effected on the same day on which it is sent or supplied and in proving such service it will be sufficient to prove that it was properly addressed.

162.3. Where a document or information is sent or supplied by means of a website, service or delivery shall be deemed to be effected when:

162.3.1. the material is first made available on the website; or

162.3.2. if later, when the recipient received (or, in accordance with this Article 162 is deemed to have received) notification of the fact that the material was available on the website.

163. Notice binding on transferees etc

163.1. A person who becomes entitled by transmission to a share, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of the Act) which, before his name is entered in the Register, has been properly served on a person from whom he derives his title.

164. Notice in case of entitlement by transmission

164.1. Where a person is entitled by transmission to a share, the Company may give a notice or other document to that person as if he were the holder of a share by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt Member (or by similar designation) at an address in the United Kingdom supplied for that purpose (or, in relation to any document, notice or information which that person agrees (generally or specifically) to receive and which the Company intends to send or supply using electronic means, an address for that purpose) by the person claiming to be entitled by transmission. Until an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this Article is sufficient notice to all other persons interested in the share.

165. Notice by advertisement

165.1. If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to send some or all notices to convene a general meeting (or notification as to the availability of the notice of meeting on a website) by post:

165.1.1.the Board may decide that the only persons to whom notice of the affected general meeting must be sent are:

165.1.1.1.the Directors;

165.1.1.2.the Company's auditors;

165.1.1.3.those Members to whom notice to convene the general meeting can validly be sent by electronic means;

165.1.1.4.those Members to whom notice to convene the general meeting can validly be sent by means of a website and to whom notification as to the availability of the notice of meeting on a website can validly be sent by electronic means; and

165.1.2.the Company must in all such cases:

165.1.2.1.advertise the notice of meeting in at least one national daily newspaper published in the United Kingdom;

165.1.2.2.make the notice of meeting available on its website from the day the notice was sent until the conclusion of the meeting or any adjournment of the meeting; and

165.1.2.3. send a confirmatory copy of the notice (or a confirmatory notification as to the availability of the notice on the Company's website in case of those Members to whom notice to convene the general meeting can validly be sent by means of a website but to whom notification as to the availability of the notice of meeting on a website cannot validly be sent by electronic means) by post to any Member who has not been sent notice of the meeting by electronic means or by means of a website, if at least seven days before the day of the meeting the sending of notices by post to addresses throughout the United Kingdom again becomes practicable.

166. Suspension of Supply of Documents and Information to a Member

166.1. If:

166.1.1.on at least two consecutive occasions any document or information to a Member has been returned undelivered or the Company or its agent receives notification that it has not been delivered; or

166.1.2.the Company has stopped sending dividend payments to a Member pursuant to article 144;

the Member ceases to be entitled to receive documents or information from the Company.

166.2. A Member who has ceased to be entitled to receive documents or information from the Company pursuant to article 166.1 becomes entitled to receive a document or information again by sending the Company or its agent:

166.2.1.a new registered address (or other postal address for such purposes) within the United Kingdom; or

166.2.2.if the Board has agreed to the use of electronic means to supply that type of document or information to that Member and the Member has agreed with the Company that documents or information of that kind may be sent to him by electronic means, an address for that purpose and any other information that the Company needs to use that means of communication effectively.

167. Signature or authentication of documents

167.1. Where these Articles require a notice or other document to be signed or authenticated by a member or other person then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions of the Act or in such other manner as may be approved by the Directors. The Directors may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

168. Companies Act Requirements

168.1. Nothing in the Articles shall affect any requirement of the Act that any particular offer, notice or other document be served in any particular manner.

INDEMNITY

169. Indemnity

169.1. Subject to the Statutes and without prejudice to any indemnity to which he may otherwise be entitled, every Director, Secretary or manager of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers, authorities and discretions, including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability in respect of negligence, default, breach of duty or breach of trust, in relation to the affairs of the Company.

169.2. Subject to the Statutes, the Board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or former employee, of the Company or a Subsidiary Undertaking or in which the Company has an interest, direct or indirect, or who is or was a trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or former employee is or has been interested indemnifying him against any

liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.