

No:- 4918500

THE COMPANIES ACTS 1985 to 1989

**PUBLIC COMPANY
LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF
THE CLAPHAM HOUSE GROUP PLC**

**ADOPTED BY WRITTEN RESOLUTION
ON 24TH OCTOBER 2003**

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EXCLUSION OF OTHER REGULATIONS

1. This document comprises the Articles of Association of the Company and no regulations set out in any statute or statutory instrument concerning companies shall apply as Articles of Association of the Company.

INTERPRETATION

- 2.1 In these Articles the following expressions have the following meanings unless the context otherwise requires:-

Expression	Meaning
<i>the Act</i>	the Companies Act 1985 (as amended from time to time);
<i>these Articles</i>	these Articles of Association as altered from time to time;
<i>the auditors</i>	the auditors for the time being of the Company;
<i>the Board</i>	the Board of Directors of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present;
<i>clear days</i>	in relation to the period of a notice, that period excluding the day when the notice is received or deemed to be received and the day for which it is given or on which it is to take effect;
<i>the Company</i>	The Clapham House Group Plc;
<i>the Directors</i>	the directors of the Company for the time being;
<i>elected</i>	elected or re-elected;
<i>Electronic Communication</i>	has the same meaning as in the Electronic Communications Act 2000;

<i>the group</i>	the Company and its subsidiary undertakings for the time being and " <i>member of the group</i> " shall be construed accordingly;
<i>the holder</i>	in relation to shares, the member whose name is entered in the register as the holder of the shares;
<i>the London Stock Exchange</i>	London Stock Exchange plc;
<i>member</i>	a member of the Company;
<i>month</i>	calendar month;
<i>the office</i>	the registered office for the time being of the Company;
<i>Operator</i>	has the meaning ascribed to that expression in the Uncertificated Securities Regulations;
<i>Ordinary Shares</i>	Ordinary Shares of £0.10 each in the capital of the Company;
<i>paid up</i>	paid up or credited as paid up;
<i>participating security</i>	has the meaning ascribed to that expression in the Uncertificated Securities Regulations;
<i>recognised person</i>	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange who is designated as mentioned in section 185(4) of the Act;
<i>Redeemable Shares</i>	the redeemable shares of £1 each in the capital of the Company;
<i>the register</i>	the register of members of the Company;
<i>relevant system</i>	the CREST system or any other applicable system which is a "relevant system" for the purpose of the Uncertificated Securities Regulations;
<i>the secretary</i>	the secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company including a joint, temporary, assistant or deputy secretary;
<i>the Statutes</i>	the Act, the Companies Act 1989 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company;
<i>Uncertificated Securities Regulations</i>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) including any modification thereof or any regulations in substitution therefor made under Section 207 of the Companies Act 1989 and for the time being in force;
<i>the United Kingdom</i>	Great Britain and Northern Ireland; and

year calendar year.

- 2.2 References to writing include references to printing, typewriting, lithography, photography and any other mode or modes of presenting or reproducing words in a visible and non-transitory form.
- 2.3 Words importing one gender shall (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa.
- 2.4 Any words or expressions defined in the Act shall, if not inconsistent with the subject or context and unless otherwise expressly defined in these Articles, bear the same meaning in these Articles save that the word Company shall include any body corporate.
- 2.5 References to:-
- 2.5.1 "**mental disorder**" mean mental disorder as defined in section 1 of the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984 (as the case may be) and "**mentally disordered**" shall be construed accordingly;
- 2.5.2 any section or provision of any statute, if consistent with the subject or context, include any corresponding or substituted section or provision of any amending, consolidating or replacement statute;
- 2.5.3 "**executed**" include any mode of execution;
- 2.5.4 an Article by number are to the particular Article of these Articles;
- 2.5.5 a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person;
- 2.5.6 a person include references to a body corporate and to an unincorporated body of persons;
- 2.5.7 doing something by electronic means includes doing it by an Electronic Communication;
- 2.5.8 a signature or other means of verifying the authenticity of an Electronic Communication which the board may from time to time approve, means a signature printed or reproduced by mechanical or other means, any stamp or other distinctive marking made by or with the authority of the persons required to sign the document or indicate it is approved by such person;
- 2.5.9 a share (or to a holding of shares) being in uncertificated form or in certificated form are references respectively to that share being an uncertificated unit of a security or a certificated unit of a security;
- 2.5.10 a "**cash memorandum account**" are to an account so designated by the Operator of the relevant system concerned; and
- 2.5.11 a "**Regulation**" are to a regulation of the Uncertificated Securities Regulations.

SHARE CAPITAL

3.1 The authorised share capital of the Company is £2,050,000 divided into 20,000,000 Ordinary Shares and 50,000 Redeemable Shares.

3.2 (a) The Board shall be generally and unconditionally authorised pursuant to Section 80 of the 1985 Act to exercise for each prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 Amount.

(b) Pursuant to and within the terms of the said authority the Board shall be empowered during each prescribed period to allot equity securities wholly for cash:

(i) in connection with a rights issue; and

(ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the Section 89 Amount

as if Section 89(1) of the 1985 Act did not apply to such allotment.

3.3 For the purpose of Article 3.2:

(a) "**rights issue**" means an offer of equity securities open for acceptance for a period fixed by the Board to holders of equity securities on the register on a date fixed by the Board in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto but subject to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with:

- (1) fractional entitlements; or
- (2) directions from any holders of shares to deal in some other manner with their respective entitlements; or
- (3) legal or practical problems arising in any overseas territory; or
- (4) the requirements of any regulatory body or stock exchange;

(b) "**prescribed period**" means any period (not exceeding five years on any occasion) for which (i) any authority conferred pursuant to Article 3.2(a) is conferred or renewed by ordinary or special resolution stating the Section 80 Amount, and (ii) the power conferred pursuant to Article 3.2(b) is conferred or renewed by special resolution stating the Section 89 Amount;

(c) the "**Section 80 Amount**" shall for any prescribed period be that stated in the relevant ordinary or special resolution or any increased amount fixed by ordinary or special resolution;

(d) the "**Section 89 Amount**" shall for any prescribed period be that stated in the relevant special resolution;

(e) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights;

(f) the Company may before the expiry of any prescribed period make an offer or agreement which would or might require relevant or equity

securities to be allotted after such expiry and the Board may allot relevant or equity securities in pursuance of any such offer or agreement as if the power to do so had no expired;

- (g) any authority conferred pursuant to Article 3.2(a) shall be capable of revocation or variation by ordinary or special resolution and of renewal by ordinary or special resolution for a period not exceeding five years; and
 - (h) any power conferred pursuant to Article 3.2(b) shall be capable of revocation or variation by special resolution and of renewal by special resolution for a period not exceeding five years.
4. Subject to the provisions of the Statutes and without prejudice to the rights attaching to any existing share or class of shares, any share may be issued with such preferred, deferred, or other special rights or such restrictions as the Company may from time to time by ordinary resolution determine or, if the Company has not so determined, as the Directors may determine.
 5. Subject to the provisions of these Articles and to the Statutes the unissued shares in the capital of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot (with or without a right of renunciation), issue or grant options over such shares to such persons, at such time and for such consideration and upon such terms and conditions as the Board may determine. Without prejudice to any rights attached to any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Ordinary Resolution determine or if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
 6. The Company may exercise the powers of paying commissions conferred by the Statutes. Subject to the provisions of the Statutes, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
 7. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, shares may be issued on terms that they are, or at the option of the Company or a member are liable, to be redeemed on such terms and in such manner as may be provided by these Articles save that the date on or by which, or dates between which, any such shares are to be or may be redeemed may be fixed by the Board (and if so fixed, the date or dates must be fixed before the shares are issued).
 8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or compelled in any way to recognise any interest in any share, except an absolute right to the entirety thereof in the holder.

SHARE WARRANTS

- 9.1 The Company may, with respect to any fully paid shares, issue a share warrant stating that the bearer of the warrant is entitled to the shares specified in it and

may provide (by coupons or otherwise) for the payment of future dividends or other monies on the shares included in a share warrant.

- 9.2 The powers referred to in this Article 9 may be exercised by the Board, which may determine and vary the conditions on which share warrants shall be issued, and in particular on which:
- (a) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out, lost or destroyed (provided that no new share warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed);
 - (b) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
 - (c) dividends will be paid; and
 - (d) a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it.

Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes. The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of such share warrant.

VARIATION OF RIGHTS

- 10.1 Subject to the provisions of the Statutes, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal amount of the issued shares of the affected class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of that class (but not otherwise).
- 10.2 All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate general meeting, except that-
- (a) the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy;
 - (b) any holder of shares of the class in question present in person or by proxy may demand a poll; and
 - (c) the holder of shares of the class in question shall, on a poll, have one vote in respect of every share of such class held by him.
- 10.3 Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall

rank for dividend) with or subsequent to those already issued or by anything done by the Company pursuant to Article 46.

- 10.4 The provisions of Articles 10.1 to 10.3 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if such group of shares of the class differently treated formed a separate class.

SHARES IN UNCERTIFICATED FORM

11.1 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of share to be a participating security (subject always to the Uncertificated Securities Regulations and the facilities and requirements of the relevant systems concerned). Where they do so, Articles 11.2 and 11.3 shall commence to have effect immediately prior to the time at which the Operator of the relevant system concerned permits the class of share concerned to be a participating security.

11.2 In relation to any class of share which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:-

- (a) the holding of shares of that class in uncertificated form;
- (b) the transfer of title to shares of that class by means of a relevant system;
or
- (c) the Regulations.

11.3 Without prejudice to the generality of Article 11.2 and notwithstanding anything contained in these Articles, where any class of share is, for the time being, a participating security (such class being referred to hereinafter as the "**Relevant Class**"):-

- (a) the register relating to the Relevant Class shall be maintained at all times in the United Kingdom;
- (b) shares of the Relevant Class may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations;
- (c) unless the Directors otherwise determine, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
- (d) shares of the Relevant Class may be changed from uncertificated to certificated form and from certificated to uncertificated form, in accordance with and subject as provided in the Uncertificated Securities Regulations;
- (e) title to shares of the Relevant Class which are recorded on the Register as being held in uncertificated form may be transferred by means of the relevant system concerned and accordingly (and in particular) Articles 31 to 34 (inclusive) shall not apply in respect of such shares to the extent that those Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the shares to be transferred;

- (f) the Company shall comply with the provisions of Regulations 25 and 26 in relation to the Relevant Class and Article 37 in particular shall be read as subject to Regulation 26;
- (g) the provisions of these Articles with respect to meetings of or including holders of the Relevant Class, including notices of such meeting, shall have effect subject to the provisions of Regulation 41; and
- (h) Articles 12.1 to 12.5 (inclusive) shall not apply so as to require the Company to issue a certificate to any person holding shares of the Relevant Class in uncertificated form.

SHARE CERTIFICATES

- 12.1 Every person (except a person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a holder of any share in the register shall be entitled without payment to receive one certificate in respect of each class of shares held by him or, with the consent of the Board and upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares.
- 12.2 Shares of different classes may not be included in the same certificate.
- 12.3 Where a holder of any share (except a stock exchange nominee) has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.
- 12.4 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 12.5 The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to the joint holder who is first named in the register shall be a sufficient delivery to all of them.
- 12.6 In the case of shares held jointly by several persons any such request mentioned in this Article may only be made by the joint holder who is first named in the register.
- 12.7 Every certificate shall be executed by the Company in such manner as the Board, having regard to the Statutes and the listing requirements of the London Stock Exchange, may authorise. Every certificate shall specify the number, class and distinguishing number (if any) of the shares to which it relates and the amount paid up thereon.
- 12.8 The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any certificates for shares or any other form of security at any time issued by the Company need not be automatic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.
- 12.9 If a share certificate is worn out, defaced, lost or destroyed, it may be replaced without charge (other than exceptional out of pocket expenses including any charges levied by the Company's registrars) and otherwise on such terms (if any) as to evidence and/or indemnity (with or without security) as the Board may

require. In the case where the certificate is worn out or defaced, it may be renewed only upon delivery of the certificate to the Company. In the case of loss or destruction, the person to whom the new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

LIEN

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all money (whether presently due or not) payable in respect of that share. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
14. The Company may sell in such manner as the Board decides any shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice in writing has been served on the holder of the shares in question or the person entitled to such shares by reason of death or bankruptcy of the holder or otherwise by operation of law demanding payment of the sum presently payable and stating that if the notice is not complied with the shares may be sold.
15. To give effect to any such sale the Board may authorise some person to execute any instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale, and he shall not be bound to see to the application of the purchase money.
16. The net proceeds of the sale, after payment of the costs of such sale, shall be applied in or towards satisfaction of the liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold (where applicable) and subject to a like lien for any moneys not presently payable or any liability or engagement not likely to be presently fulfilled or discharged as existed upon the shares before the sale) be paid to the holder of (or person entitled by transmission to) the shares immediately before the sale.

CALLS ON SHARES

17. Subject to the terms of allotment of any shares, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share shall be payable within one month from the date fixed for the payment of the last preceding call and that at least fourteen clear days' notice shall be given of every call specifying the time or times, place of payment and the amount called on the members' shares. A call may be revoked in whole or in part or the time fixed for its payment postponed in whole or in part by the Board at any time before receipt by the Company of the sum due thereunder.
18. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable by instalments.
19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.

20. Each member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
21. If a sum called in respect of a share shall not be paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day fixed for payment to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Board may decide, together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Board may waive payment of interest and such expenses wholly or in part. No dividend or other payment or distribution in respect of any such share shall be paid or distributed and no other rights which would otherwise normally be exercisable in accordance with these Articles may be exercised by a holder of any such share so long as any such sum or any interest or expenses payable in accordance with this Article in relation thereto remains due.
22. Any sum which becomes payable by the terms of allotment of a share whether on allotment or on any other fixed date, or as an instalment of a call and whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment or in the notice of the call, it becomes payable. In the case of non-payment all the provisions of these Articles relating to payment of interest and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. The Board may, if it thinks fit, receive from any member willing to advance it all or any part of the money (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon any shares held by him, and may pay upon all or any of the money so advanced (until it would but for the advance become presently payable) interest at such rate (if any) not exceeding 15 per cent. per annum, as the Board may decide. No sum paid in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend or other payment or distribution subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
24. The Board may on the allotment of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

FORFEITURE

25. If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
26. The notice shall fix a further day (not being less than seven clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited upon such terms and conditions as may be

agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

27. If the requirements of the notice are not complied with, any share in respect of which the notice has been given may, at any time before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited shares and not paid or distributed before forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Board.
- 28.1 Subject to the provisions of the Statutes, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board decides, either to the person who was before the forfeiture the holder or to any other person, and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the Board decides. The Company shall not exercise any voting rights in respect of such a share. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share.
- 28.2 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder, or the person entitled to the share by transmission, and an entry of the forfeiture, with the date of the forfeiture, shall be entered in the register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry.
29. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money which at the date of forfeiture was then payable by him to the Company in respect of the shares, with interest on such money at such rate, not exceeding 15 per cent. per annum, as the Board may decide from the date of forfeiture until payment. The Board may, if it thinks fit, waive the payment of all or part of such money and/or the interest payable thereon.
30. A statutory declaration by a Director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The statutory declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

DISCLOSURE OF INTERESTS IN SHARES

31. Where, in respect of any shares of the Company, any holder or any other person appearing to be interested in such shares held by a member has been issued with a notice pursuant to section 212 of the Act (a "**statutory notice**") and has failed in relation to any shares (the "**default shares**") to comply with the statutory notice and to give the Company the information required by such notice within the prescribed period from the date of the statutory notice, then the Board may serve on the holder of such default shares a notice (a "**disenfranchisement notice**") whereupon the following sanctions shall apply:-

- (a) such holder shall not with effect from the service of the disenfranchisement notice be entitled in respect of the default shares to be present or to vote (either in person or by representative or by proxy) either at any general meeting or at any separate general meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
 - (b) where such shares represent not less than 0.25 per cent. in nominal value of the issued shares of their class:-
 - (i) any dividend or other moneys payable in respect of the default shares shall be withheld by the Company which shall not be under any obligation to pay interest on it and the holder shall not be entitled under Article 147 to elect to receive shares instead of that dividend; and
 - (ii) no transfer, other than an excepted transfer, of any shares held by the holder shall be registered unless:-
 - (1) the holder is not himself in default as regards supplying the information required; and
 - (2) the holder proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.
- 31.2 Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled) and provided further that Article 31.1 shall apply to the exclusion of this Article if the Company gives a separate notice under section 212 of the Act in relation to the new shares.
- 31.3 The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the default shares a notice in writing to that effect (in this Article called a "**withdrawal notice**"), and a disenfranchisement notice shall be deemed to have been withdrawn at the end of the period of 7 days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the statutory notice in respect of all the shares to which the disenfranchisement notice related.
- 31.4 Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn or the shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 31.1 and 31.2 shall continue to apply.
- 31.5 Where, on the basis of information obtained from a holder in respect of any share held by him, the Company issues a notice pursuant to section 212 of the Act to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Board serves a disenfranchisement notice upon such person, it shall at the same time send a copy of the disenfranchisement notice to the holder of such share, but the

accidental omission to do so, or the non-receipt by the holder of the copy, shall not invalidate or otherwise affect the application of Articles 31.1 and 31.2.

31.6 For the purpose of these Articles: -

- (a) a person other than the holder of a share shall be treated as appearing to be interested in that share if the holder has informed the Company that the person is, or may be, so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 212 of the Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share;
- (b) "**interested**" shall be construed as it is for the purpose of section 212 of the Act;
- (c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:-
 - (i) reference to his having failed or refused to give all or any part of it; and
 - (ii) 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;
- (d) the "**prescribed period**" means:-
 - (i) In a case where the default shares represent at least 0.25 per cent. of their class, fourteen days; and
 - (ii) in any other case, twenty-eight days;
- (e) an "**excepted transfer**" means, in relation to any share held by a holder:-
 - (i) a transfer pursuant to acceptance of an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them; or
 - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
 - (iii) a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the share to a person who is unconnected with the holder and with any other person appearing to be interested in the share.

31.7 Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 216 of the Act and in

connection with such an application or intended application or otherwise to require information on shorter notice than the prescribed period

TRANSFER OF SHARES

32. The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder until the name of the transferee is entered in the register.
33. The Board may, in its absolute discretion, and without assigning any reason therefor, refuse to register any transfer of shares all or any of which are not fully paid provided that, where any such shares are admitted to the Official List of the United Kingdom Listing Authority or traded on the Alternative Investment Market of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may also decline to register any transfer of a share (not being a fully paid share) on which the Company has a lien.
34. The Board may also refuse to register any transfer of shares, unless-
 - (a) the instrument of transfer is lodged (duly stamped if the Statutes so require) at the office or at such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so) provided that in the case of a transfer by a recognised person where a certificate has not been issued in respect of the share, the lodgement of share certificates shall not be necessary; and
 - (b) the instrument of transfer is in respect of only one class of share; and
 - (c) in the case of a transfer to joint holders, they do not exceed four in number.
35. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register (except in the case of fraud) shall be returned to the person lodging it when notice of the refusal is given.
36. If the Board refuses to register a transfer, it shall within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal.
37. The registration of transfers of shares or of any class of shares may be suspended and the register closed at such times and for such periods as the Board may from time to time decide, provided that it shall not be closed for more than thirty days in any calendar year.
38. No fee shall be payable to the Company for the registration of any transfer or any 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. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

40. If a member dies the survivor or survivors where he was a joint holder and his personal representatives or administrators where he was a sole holder or the only survivor of joint holders shall be the only person(s) recognised by the Company as having any title to his shares but nothing contained in these Articles shall release the estate of a deceased member from any liability in respect of any share held by him solely or jointly with other persons.
41. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law may, upon such evidence as to his title being produced as may be reasonably required by the Board and subject to these Articles, elect either to be registered as the holder of the share or to have some person nominated by him registered as the holder. If the person elects to become the holder he shall give notice in writing to that effect. If the person shall elect to have another person registered, he shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer were an instrument of transfer executed by the member.
42. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law shall, subject to the requirements of these Articles and to the provisions of this Article, be entitled to receive, and may give a good discharge for, all dividends and other money payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or at any separate meetings of the holders of any class of shares or to any of the rights or privileges of a member until he shall have become a holder in respect of the share in question. The Board may at any time give notice requiring any such person to elect either to be registered or to transfer the share and if the notice is not complied with within sixty days the Board may withhold payment of all dividends and other distributions and payments declared in respect of the share until the requirements of the notice have been complied with.

ALTERATION OF SHARE CAPITAL

43. The Company may by ordinary resolution:
- (a) increase its share capital by such sum to be divided into shares of such amount and having such rights as the resolution shall prescribe;
 - (b) consolidate all or any of its share capital into shares of a larger amount than its existing shares;
 - (c) subject to the provisions of the Statutes, sub-divide its shares, or any of them, into shares of a smaller amount (provided that the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived) and the resolution may determine that as between the holders of such shares resulting from the sub-division any of

them may have any preference or advantage or be subject to any restriction as compared with the others; and

- (d) cancel any shares which, at the date of the passing of the resolution, have not been subscribed for, or agreed to be subscribed for, by any person, and diminish the amount of its authorised share capital by the amount of the shares so cancelled.
44. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share the Board may deal with the fractions as it thinks fit and in particular may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale (subject to retention by the Company of amounts not exceeding £3 the cost of distribution of which would be disproportionate to the amounts involved) in due proportion among those members, and the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.
45. Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account and/or any other non-distributable reserves in any way.

PURCHASE OF OWN SHARES

46. Subject to the provisions of the Statutes and to the rights attaching to any class of shares, the Company may purchase or may enter into a contract under which it will or may purchase all or any of its own shares of any class (including any redeemable shares). Every contract providing for the purchase by the Company of shares in the Company or under which the Company may (subject to any conditions) become entitled or obliged to purchase shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes.
47. Neither the Company nor the Board shall be required to select the shares to be purchased rateably or in any other manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

STOCK

- 48.1 The Company may from time to time in general meeting convert any fully paid up shares into stock and may reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class in the capital of the Company into stock, any shares of that class that subsequently become fully paid up and rank pari passu in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.
- 48.2 The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as the shares from which the stock

arose might, prior to conversion, have been transferred or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of such minimum but the minimum shall not, without the sanction of any ordinary resolution of the Company, exceed the nominal amount of each of the shares from which the stock arose.

- 48.3 The holders of stock shall, according to the amount of the stock held by them, have the same rights as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right (except as to participation in dividends and in assets on a reduction of capital or a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right.
- 48.4 All provisions of these Articles which are applicable to paid up shares shall apply to stock, and the words "*share*" and "*shareholder*" herein shall include "*stock*" and "*stockholder*" respectively.

GENERAL MEETINGS

49. The Company shall hold annual general meetings which shall be convened by the Board in accordance with the Statutes. All general meetings other than annual general meetings shall be called extraordinary general meetings.
50. The Board may call an extraordinary general meeting whenever it thinks fit, and, on the requisition of members in accordance with the Act, it shall forthwith proceed to convene an extraordinary general meeting for a date not more than twenty-eight days after the date of the notice convening the meeting. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or, if there is no Director within the United Kingdom, any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

- 51.1 An annual general meeting and an extraordinary general meeting where such extraordinary general meeting is called for the passing of a special resolution shall be called by at least twenty-one clear days' notice in writing. All other extraordinary general meetings shall be called by at least fourteen clear days' notice in writing. The notice shall specify:-
- (a) whether the meeting is an annual general meeting or an extraordinary general meeting;
 - (b) the day, time and place of the meeting;
 - (c) in the case of special business, the general nature of the business to be transacted;
 - (d) if the meeting is convened to consider a special or extraordinary resolution, the intention to propose the resolution as such;
 - (e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.

- 51.2 Subject to the provisions of these Articles, to the rights attaching to any class of shares and to any restriction imposed on any holder, notice shall be given to all members, the Directors and the auditors.
52. The accidental omission to send a notice of any meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

53. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise, the appointment of auditors where special notice of such appointment is not required by the Statutes, and the fixing of, or the determining of the method of fixing, the remuneration of the auditors and the giving, variation or renewal of any authority of the Board for the purposes of section 80 of the Act or any power pursuant to section 95 of the Act.
54. No business shall be transacted at any general meeting unless a quorum is present but the absence of a quorum shall not preclude the choice or appointment of a chairman in accordance with these Articles (which shall not be treated as part of the business of the meeting). Subject to Article 55 two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote shall be a quorum for all purposes.
55. If within fifteen minutes from the time fixed for the meeting a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved and in any other case it shall stand adjourned to such day and to such time and place (being not less than fourteen nor more than twenty eight days thereafter) as may be fixed by the chairman of the meeting. At such adjourned meeting a quorum shall be two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote. If a quorum is not present within fifteen minutes from the time fixed for holding the adjourned meeting or if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice in writing of any meeting adjourned through lack of a quorum and such notice shall state the quorum requirement.
- 56.1 The chairman of the Board or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of themselves to be chairman of the meeting.
- 56.2 The Board may implement, at general meetings of the Company, such security arrangements as it shall think appropriate to which members, representatives (in the case of corporate members) and their proxies shall be subject. The Board

shall be entitled to refuse entry to the meeting to any such member, representative or proxy who fails to comply with such security arrangements.

- 56.3 The chairman of each general meeting of the Company may take such action as he considers appropriate to permit the orderly conduct of the business of the meeting as set out in the notice of the meeting.
57. Without prejudice to any other power of adjournment which he may have under these Articles or at common law, the chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or indefinitely) and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for an indefinite period the time and place for the adjourned meeting shall be fixed by the Board. Whenever a meeting is adjourned for fourteen days or more or for an indefinite period, seven clear days' notice at the least, specifying the place, the day and the time of the adjourned meeting and the general nature of the business to be transacted shall be given in the same manner as in the case of an original meeting. Save as provided in these Articles it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
58. 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 shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to 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 to be heard and seen by all other persons so present in the same manner.
- 59.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll, a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded:-
- (a) by the chairman of the meeting; or
 - (b) by at least five members present in person or by proxy and entitled to vote at the meeting; or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) 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.
- 59.2 Unless a poll is so demanded, 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, and an entry to that effect in the minute book, shall

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

- 60.1 If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 60.2 A poll demanded as respects the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the poll is taken. If a poll is demanded before the declaration of the result of a show of hands and the demand is subsequently duly withdrawn, the meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
61. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.
62. All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every separate meeting of the holders of any class of share in the Company, except as provided in Article 10.1 when the provisions of Article 10.2 shall apply.
63. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

VOTES OF MEMBERS

64. Subject to any terms as to voting upon which any shares may be issued or may for the time being be held and to the provisions of these Articles, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote on a show of hands, and on a poll every member present in person or by representative (in the case of a corporate member) or by proxy shall have one vote for each share of which he is the holder. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. The Redeemable Shares shall not confer upon the holders thereof the right to attend or vote at general meetings of the Company.
65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

66. A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court, and any such guardian, receiver, curator bonis or other person may, on a poll, vote by proxy provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
67. No member shall, unless the Board otherwise determines, be entitled to vote at any general meeting or at any separate general meeting of the holders of any class of shares in the Company unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
68. If any objection shall be raised as to the qualification of any voter or if any votes have been counted which should not have been counted or it shall be alleged that any votes have not been counted which ought to have been counted the objection or allegation shall not vitiate the decision on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the alleged error occurs. Any objection or allegation made in due time shall be referred to the chairman of the meeting, and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the objection or allegation is justified and that the decision of the meeting may have been affected. The decision of the chairman shall be final and conclusive.
69. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution proposed as a special or extraordinary resolution no amendment to it (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
70. Forms of instrument of proxy shall be in any usual form or in such other form as the Board may approve. Forms of instrument of proxy shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and shall provide for voting both for and against all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting. The accidental omission to send an instrument of proxy or the non-receipt thereof by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting. The instrument of proxy shall be executed by or on behalf of the appointor and shall be deemed to confer authority to demand, or concur in demanding, a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. A corporation may appoint a corporate representative in accordance with Article 71 or execute an instrument of proxy either under seal or under the hand of two Directors, a director and the secretary or a duly authorised officer. A proxy need not be a member of the Company.
71. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as

its representative at any meeting of the Company or of any class of members of the Company, and (except as otherwise provided in these Articles) the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. A certified copy of such a resolution shall be deposited at the office not less than forty-eight hours before the time appointed for holding the meeting or first meeting at which the person so authorised is to act, or, in the case of a poll taken subsequent to the meeting or first meeting, not less than twenty-four hours before the time appointed for the taking of the poll, and unless such certified copy of such resolution is so deposited the authority granted by such resolution shall not be treated as valid. Where certified copies of two or more valid but differing resolutions authorising any person or persons to act as the representative of any corporation pursuant to this Article at the same meeting in relation to the same share are deposited at the office, the resolution, a certified copy of which is deposited with the Company (in accordance with this Article) last in time (regardless of the date of such certified copy or of the date upon which the resolution set out there was passed), shall be treated as revoking and replacing all other such authorities as regards that share but if the Company is unable to determine which of any such two or more valid but differing resolutions was the one so deposited last in time, none of them shall be treated as valid in respect of that share. The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof deposited with the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used as well as at such meeting. A corporation which is a member of the Company may authorise more than one person to act as its representative pursuant to this Article in respect of any meeting or meetings and such a member who holds different classes of shares may so authorise one or more different persons for each class of share held.

72. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of any such power or written authority, shall be deposited at the office (or at such other place as shall be specified in the notice of meeting or in any instrument of proxy or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for taking the poll, and (save as otherwise provided in this Article) unless so deposited the instrument of proxy shall not be treated as valid. Where a poll is not taken forthwith but is taken less than forty-eight hours after it was demanded, the instrument of proxy together with any other documents required to be deposited pursuant to the preceding sentence of this Article shall be deemed to have been duly deposited if handed to the chairman of the meeting at which the poll is to be taken at any time prior to the commencement of such meeting and if so delivered the instrument of proxy shall be treated as valid. The deposit or delivery of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjourned meeting. When two or more valid but differing instruments of proxy are deposited or delivered in respect of the same share for the use at the same meeting, the one which is deposited or delivered with the Company (in accordance with the provisions of this Article) last in time (regardless of its date or of the date of its execution) shall be treated as replacing and revoking any others as regards that share and if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so deposited or delivered last in time, none of

them shall be treated as valid in respect of that share. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution. The instrument of proxy shall, unless the contrary is stated, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

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

AMENDMENTS TO RESOLUTIONS

- 74.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings relating to such resolution shall not be invalidated by any error in such ruling.
- 74.2 In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than a clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 74.3 In the case of a resolution duly proposed as an ordinary resolution, no amendment (other than a clerical amendment to correct a patent error) may in any event be considered or voted upon unless written notice of the proposed amendment and the intention to move it has been left at the office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting at which the ordinary resolution is to be considered.

POWERS OF THE BOARD

75. Subject to the provisions of the Statutes, the memorandum of association of the Company, these Articles and any directions given by special resolution, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company. No alteration of the memorandum of association of the Company or of these Articles and no directions given by special resolution shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
76. The Board may from time to time make such arrangements as it thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local Boards, managers, inspectors and agents and delegate to them any of the powers, authorities and discretions vested in the Board (other than the power to borrow and make calls) with power to sub-delegate and may authorise the members of any local Board or any of them to fill any vacancies therein and to act notwithstanding such vacancies. Any such appointment or delegation may be made upon such terms and subject to

such conditions as the Board thinks fit. The Board may at any time remove any person so appointed and may vary or annul such delegation but no person dealing in good faith and without notice of such removal, variation or annulment shall be affected by it.

77. The Board may from time to time by power of attorney appoint any Company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Board may revoke or vary any such appointment but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.
78. The Board may delegate any of its powers to any committee consisting of one or more Directors. It may also delegate to any managing Director or any Director holding any other executive office or any other Director such of its powers as it considers desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered but no person dealing in good faith and without notice of such revocation or variation shall be affected by it. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying. If any such committee determines to co-opt persons other than Directors on to such committee, the number of such co-opted persons shall be less than one half of the total number of members of the committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting concerned are Directors.

BORROWING POWERS

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

NUMBER AND QUALIFICATION OF DIRECTORS

80. The minimum number of Directors shall be two and unless and until otherwise determined by ordinary resolution of the Company, there shall be no maximum number of Directors.
81. A Director shall not be required to hold any shares of the Company by way of qualification.
82. No person shall be or become incapable of being appointed or reappointed a Director by reason of his having attained the age of seventy or any other age, nor shall any special notice be required in connection with the appointment or reappointment or the approval of the appointment or reappointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age and section 293 of the

Act shall not apply to the Company. Where any general meeting of the Company is convened at which, to the knowledge of the Board, a Director will be proposed for appointment or reappointment who will at the date of the meeting be seventy or more, the Board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or reappointment of that Director at that meeting.

83. If the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the Directors for the time being may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose. If there are no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.
84. No person other than a Director retiring (or, if appointed by the Board, vacating office) at the meeting shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting, unless not less than seven nor more than 28 clear days before the day fixed for the meeting there shall have been left at the office addressed to the secretary notice in writing by a member entitled to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. The notice shall give the particulars in respect of that person which would (if he were elected) be required to be included in the Company's register of Directors.

ELECTION APPOINTMENT AND RETIREMENT BY ROTATION

85. Subject to the provisions of Articles 80 to 84 and without prejudice to the power of the Board under Article 83 the Company may by ordinary resolution elect a person who is willing to act to be a Director either to fill a vacancy or as an additional Director, and may also determine the rotation in which any additional Directors are to retire; but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles.
86. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. For the purposes of this Article a motion for approving a person's appointment or for nominating for appointment shall be treated as a motion for his appointment.
87. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for election, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under the provisions in that behalf contained in these Articles, and unless so elected shall vacate office at the conclusion of such meeting.
88. At each annual general meeting, subject as provided below, one-third of the Directors who are subject to retirement by rotation (or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third), shall retire from office by rotation. If there is only one Director who is subject to

retirement by rotation, he shall retire Provided that such Director shall retire at least once every three years.

89. Without prejudice to Article 85, the Directors to retire by rotation shall be those who have been longest in office since their last election; as between persons who became or were last elected Directors on the same day, those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire (both as to number and as to identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors or the appointment of him or any of them to be an executive Director after the date of such notice but before the close of the meeting.
90. A retiring Director shall be eligible for re-election. If he is not re-elected or deemed to be re-elected he shall hold office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.
91. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

RESIGNATION AND REMOVAL OF DIRECTORS

92. A Director may resign his office by notice in writing submitted to the Board.
93. The Company may by ordinary resolution of which special notice has been given in accordance with section 379 of the Act remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

DISQUALIFICATION OF DIRECTORS

94. Without prejudice to the other provisions of these Articles, the office of a Director shall be vacated if the Director:-
 - (a) becomes bankrupt or the subject of an interim receiving order 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;
 - (b) is or may be suffering from mental disorder and either:-
 - (i) is admitted to hospital pursuant to an application for admission for treatment under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

- (c) is absent from meetings of the Board for six consecutive months without permission of the Board and the Board resolves that his office be vacated;
- (d) ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law from being a Director;
- (e) receives written notice signed by all the other Directors removing him from office without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company; or
- (f) In the case of a Director who holds any executive office, ceases to hold such office (whether because his appointment is terminated or expires) and the majority of the other Directors resolve that his office be vacated.

95. A resolution of the Board declaring a Director to have vacated office under the terms of Article 94 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

REMUNERATION OF DIRECTORS

- 96. The Directors of the Company (other than alternate Directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board.
- 97. Each Director shall be entitled to be repaid all travelling, hotel and other expenses of travelling to and from Board meetings, committee meetings, general and other meetings and shall be paid all expenses properly and reasonably incurred by him while engaged on the business of the Company or in the discharge of his duties as a Director.
- 98. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, commission, percentage of profits or otherwise as the Board may decide.

CHIEF EXECUTIVE, MANAGING AND EXECUTIVE DIRECTORS

99.1 The Board may from time to time:-

- (a) appoint one or more of its body to the office of chief executive, managing director or joint managing director, or to any other office (except that of auditor) or employment in the Company, for such period (subject to the Statutes and these Articles) and on such terms as it thinks fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation);
- (b) permit any person elected or appointed to be a Director or continue in any other office or employment held by the person before he was so elected or appointed.

99.2 A Director (other than a chief executive, managing director or joint managing director) holding any such other office or employment is referred to in these Articles as an "**Executive Director**".

- 99.3 A Director appointed to the office of chief executive, managing director or joint managing director shall not, while holding that office, be subject to retirement by rotation or be taken into account in deciding the number of Directors to retire by rotation on any particular occasion, but shall (subject to the provisions of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall cease to be a chief executive, managing director or joint managing director (but without prejudice to any rights or claims which he may have against the Company by reason of such cessation).
- 99.4 An Executive Director shall not be exempt from retirement by rotation, and shall not cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.
- 100.1 The remuneration of any chief executive, managing director, joint managing director or Executive Director (whether by way of salary, commission, participation in profit or otherwise) shall be decided by the Board and may be either in addition to or in lieu of any remuneration as a Director.
- 100.2 The Board may entrust to and confer upon a chief executive, managing director, joint managing director or Executive Director any of the powers, authorities and discretions vested in or exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and, in the case of a chief executive, managing director or joint managing director, either collaterally with or to the exclusion of its own powers authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

ASSOCIATE AND OTHER DIRECTORS

101. The Directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of Director (whether as associate, executive, group, divisional, departmental, deputy, assistant, local or advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes of these Articles or of the Statutes, and accordingly shall not be member of the Board or (subject to Article 78) of any committee hereof nor shall he be entitled to be present at any meeting of the Board or of any such committee, except at the request of the Board or of such committee, and if present at such request he shall not be entitled to vote thereat.

DIRECTORS' GRATUITIES AND PENSIONS

102. The Board may exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held, but no longer holds, any executive office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking of the Company or a predecessor in business of the Company or of any such subsidiary undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

ALTERNATE DIRECTORS

103. Any Director (other than an alternate Director) may appoint another Director or any other person approved by the Board and willing to act, to be an alternate Director and may at any time terminate that appointment.
104. An alternate Director shall (subject to his giving to the Company an address within the United Kingdom) be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, but it shall not be necessary to give notice of such a meeting to an alternate Director who is absent from the United Kingdom.
105. An alternate Director shall automatically cease to be an alternate Director if his appointor ceases to be a Director or dies; but, if a Director retires by rotation or otherwise vacates office but is elected or deemed to have been elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his election. The appointment of an alternate Director shall also automatically cease on the happening of any event which, if he was a Director, would cause him to vacate office.
106. Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board.
107. Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not (unless the Company by ordinary resolution otherwise determines) in respect of his office of alternate Director be entitled to receive any remuneration or fee from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
108. An alternate Director shall not be required to hold any shares in the Company and shall not be counted in reckoning any maximum number of Directors permitted by these Articles.

PROCEEDINGS OF THE BOARD

109. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any such meetings shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote and an alternate Director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence. A Director may, and the secretary on the requisition of a Director shall, call a meeting of the Board and notice of such meeting shall be deemed to be duly given to each Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to

the Company for this purpose. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.

110. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present.
111. Any Director or alternate Director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Statutes, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
112. The Board may appoint from their number, and remove, a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting or, if neither of them is willing to act as chairman, the Directors present may choose one of their number to act as chairman of such meeting.
113. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) or by all the members of a committee of the Board for the time being shall be as valid and effective as a resolution passed at a meeting of the Board or committee duly convened and held. A resolution signed by an alternate Director need not be signed by his appointor and, if it is executed by a Director who has appointed an alternate Director, it need not also be executed by the alternate Director in that capacity. The resolution may consist of one document or several documents in like form each signed by one or more Directors or alternate Directors.
114. All acts done by any meeting of the Board, or of a committee of the Board, or by any person acting as a Director or by an alternate Director, shall as regards all persons dealing in good faith with the Company, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person so acting, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or an alternate Director and had been entitled to vote.

DIRECTORS' INTERESTS

115. Subject to the provisions of the Statutes, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:-

- (a) may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be or become a member or director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director of the Company.

116. Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest (other than by virtue of his interests in shares or debentures or other securities of or in or otherwise through the Company) which is material or a duty which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because one of the following Articles applies (in which case he may vote and be counted in the quorum):-

- (a) the resolution relates to the giving to him or any other person of a guarantee, security, or indemnity in respect of money lent to, or an obligation 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;
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;
- (d) the resolution relates to any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he does not hold an interest in shares (as that term is used in Part VI of the Act) representing one per cent. or more of either any class of the equity share capital of such company or of the voting rights available to members of such

company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

- (e) the resolution relates to any arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (f) the resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company or for persons who include Directors of the Company provided that for the purposes of this Article, "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Article 169 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors.

117. For the purposes of Articles 115 and 116:-

- (a) an interest of a person who is, for any purpose of the Act (excluding any such modification thereof not in force when these Articles became binding on the Company), connected (within the meaning of section 346 of the Act) with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has;
- (b) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

118. The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing the Directors or any of them Directors of such company, or voting or providing for the payment of remuneration to the Directors of such company).

119. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

120. Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not by the proviso to Article 116(d) or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

