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THE COMPANIES ACTS 1862 TO 1985

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

SAMUEL HEATH & SONS PLC

1. The name of the Company is "SAMUEL HEATH & SONS PLC".
2. The Registered Office of the Company will be situated in England.
3. The objects for which the Company is established are:-
 - (a) To purchase or otherwise acquire the businesses of Bedstead Fittings Manufacturers and General Stamped Brassfounders now carried on by Alfred Heath, under the style or firm of "Samuel Heath and Sons," at Leopold Street, in the City of Birmingham, and all or any part of the real or personal property belonging to the said Alfred Heath, and used by him in the same businesses or either of them, and to undertake all or any part of the liabilities of the same businesses or either of them.
 - (b) To carry on in Birmingham or elsewhere, or at any time cease to carry on all or any of the businesses following, namely, Bedstead Fittings Manufacturers, General Stamped Brassfounders, Brassfounders, Ironfounders, and Bedstead Manufacturers, Fender Makers, and any other business which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
 - (c) To purchase, or otherwise acquire and undertake, all or any part of the business or property of any person or Company carrying on any business which this Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.
 - (d) To purchase, take on lease, or in exchange, hire, or otherwise acquire, any real or personal property, or any rights or privileges, which the Company may think necessary or convenient for the purposes of its business, and in particular any land, buildings, easements, machinery, plant, and stock-in-trade, patents, patent rights, trade marks, registered or other designs.
 - (e) To sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of this Company.

- (f) To amalgamate with any other Company or firm having objects altogether or in part similar to those of this Company.
 - (g) To make, accept, indorse, and execute promissory notes, bills of exchange, and other negotiable instruments.
 - (h) To borrow or raise money in such manner and on such security as the Company shall think fit, and for that purpose to grant under the Seal of the Company mortgages or debentures charging all or any part of the Company's property, both present and future, including its uncalled capital.
 - (i) To sell, improve, manage, develop, lease, mortgage, dispose of, or otherwise deal with all or any part of the property of the Company.
 - (j) To cause the Company to be registered or incorporated in accordance with the laws and conditions of any state or country in which any of its operations are carried out.
 - (k) To exercise the powers given by the Companies' Seals Act, 1864, and to do all acts necessary for carrying on, in any foreign country or colony, any business of the Company necessary or expedient to be there carried on, and if the Company shall think fit to appoint an agent or agents in such foreign country or colony and to delegate all or any of the powers and authorities of the Company to such agent or agents.
 - (l) To pay or award, and make provision for paying or awarding, by insurance or otherwise gratuities, pensions, annuities, superannuation or other allowances benefits or charitable aid to any persons who are or have been directors or other officers, employees or otherwise in the service of the Company or any subsidiary company of the Company or any of them, and to the wives, widows, children and other dependants of such persons or any of them, and to set up establish contribute to and maintain superannuation and other funds under any scheme contributory or non-contributory for the benefit of all or any such individuals as aforesaid, and to establish support and contribute to any charitable or public object and any club, society, institution or other venture which may be for the benefit of the Company and its directors, officers employees or servants.
 - (m) To do all such other things as are incidental or conducive to the attainment of the above objects.
4. The liability of the members is limited.
5. The Capital of the Company is £100,000* divided into 10,000 shares of £10 each, of which 5,000 are Ordinary shares and 5,000 are Preference shares, such last mentioned shares having preference in distribution of assets and cumulative preference as to dividends, with power to the Company to increase or reduce the capital and to issue the whole or any part of any increased capital as preference shares, or with any special privileges or advantages, provided that no alteration shall be made in the rights or privileges of either class of Shareholders in the original capital without the consent of the holders of such class of shares, to be obtained in manner specified in the Articles of Association.
6. The Company is a Public Limited Company.

*The Capital of the Company was by Special Resolutions passed on the 11th July 1973 increased to £250,000 divided into 425,000 Ordinary shares of 50p each and 37,500 Preference shares of £1 each and by a Special Resolution passed on 17th September 1973 reduced to £212,500 divided into 425,000 Ordinary shares of 50p each and by Resolution passed on 19 increased to £500,000 of which £300,000 divided into ordinary shares of 10p was issued on 31 March 1997.

WE, the several persons whose names and addresses are hereto subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite to our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	No. of Shares taken by each Subscriber
JOSEPH HINKS Birmingham Manufacturer	200
GEORGE FREDERICK BOLDING Hagley Road, Edgbaston, Birmingham Gentleman	100
JAMES F.H. CARTLAND Vectis Lodge, Edgbaston, Birmingham Brassfounder	200
JOSEPH ROWLANDS Birmingham Solicitor	50
HOWARD CARTLAND The Priory, King's Heath Manufacturer	50
G. DAWSON DEELEY Birmingham Chartered Accountant	50
SAMUEL C. EMERY Birmingham Manufacturer	50

DATED this 7th day of July 1890.

Witness to the Signatures of

Joseph Hinks, George Frederick Bodling, James F.H. Cartland, Joseph Rowlands, Howard Cartland, G. Dawson Deeley and Samuel C. Emery.

Rolla Rowlands
Birmingham
Solicitor

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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

SAMUEL HEATH & SONS PLC

(Adopted by Special Resolution passed 14th August 1997)

TABLE A

1. The regulations of Table A in the First Schedule to the Companies Regulations 1985 (Tables A to F) shall not apply to the Company, but instead thereof the following shall, subject to repeal, addition and alteration be the regulations of the Company.

INTERPRETATION

2. In these Articles, unless the subject or context otherwise requires, the words standing in the first column below shall bear the meanings set opposite to them respectively in the second column:-

WORDS

MEANINGS

The Act	The Companies Act 1985
These Articles	These Articles of Association for the time being in force
Auditors	The Auditors of the Company
Board of Directors	The Directors of the Company or a quorum of the directors present at a board meeting
The Group	The Company and its subsidiaries from time to time
In writing	Written, printed, typewritten or lithographed or visibly expressed in all or any of these or any other modes of representing or reproducing words
The London Stock Exchange	The London Stock Exchange Ltd.
Month	Calendar month
The Office	The registered office of the Company
Paid Up	Paid up or credited as paid up

Recognised person	A recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange as designated in Section 185(4) of the Act
The Seal	The Common Seal of the Company and any official seal kept by virtue of Section 40 of the Act
The Statutes	The Companies Act 1985, the Insolvency Act 1986 and every other Act or statutory instrument for the time being in force concerning limited liability companies and affecting the Company
Uncertificated Securities Regulations	The Uncertificated Securities Regulations 1995 as amended or re-enacted from time to time
The United Kingdom	Great Britain and Northern Ireland
Year	Calendar year

Words importing the singular number only shall include the plural number, and vice versa.

Reference to persons shall include corporations. References to "share" and "member" or "shareholder" shall include "stock" and "stockholders".

3. Subject as aforesaid, any words or expressions defined in the Statutes shall bear the same meanings in these Articles.

BUSINESS

4. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time or times as they shall think fit, and further, may be permitted by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

CAPITAL

5. At the date of adoption of these Articles the Capital of the Company is £500,000 divided into 5,000,000 Ordinary Shares of 10p each. The Board may re-denominate the currency of the capital of the Company at any time in accordance with any current development for sterling as a currency.
6. All unissued shares in the Company shall be at the disposal of the Directors, who may allot, grant options over or otherwise dispose of them to such persons, at such times and upon such terms as they think proper.

INCREASE OF CAPITAL

7. The Company may by ordinary resolution in General Meeting increase its capital by the creation of new shares, of such amount to be divided into shares of such amounts and with such rights as the resolution shall provide. Any Preference Share may be issued on the terms that it is or at the option of the Company is liable to be redeemed on such terms and in such manner (subject to the provisions of the Statutes) as may be provided in the Articles.
8. Unless the Company by ordinary resolution at the general meeting at which the capital is increased otherwise directs, any new shares proposed to be issued shall be offered in the first instance in accordance with Section 89 of the Act to all the shareholders for the time being, on the same or on more favourable terms than those offered or to be offered to persons other than shareholders, in proportion to the number of shares of the same class held by them.
9. The new shares shall be subject to the provisions of these Articles with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise.

PURCHASE OF OWN SHARES

10. (A) Subject to, and in accordance with, the provisions of the Statutes and subject to paragraphs (B) and (C), the Company may purchase its own shares (including any redeemable shares).
(B) The Company may not purchase its own shares if at the time of purchase there are outstanding any convertible securities of the Company, unless either there are provisions in the relevant trust deed or terms of issue permitting the purchase or the purchase has been sanctioned by an extraordinary resolution passed at a separate class meeting of the holders of the convertible securities.
11. Subject to any directions that may be given in accordance with the powers contained in the Memorandum of Association or these Articles, any capital raised by the creation of new shares shall be considered as consisting of Ordinary Shares, and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it had been part of the existing capital.

ALTERATION OF CAPITAL

12. The Company may by ordinary resolution:-
 - a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, or
 - b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and subject to Section 146 - 149 of the Act reduce its capital by the nominal amount of the shares cancelled, or
 - (c) sub-divide all or any of its shares, into shares of smaller amount than is fixed by its Memorandum of Association, and so that as between the holders of the resulting shares one or more of such shares may by the resolution by which the

sub-division is effected be given any preference or advantage or deferred on special rights as regards dividend, capital, voting or otherwise over the others or any other of such shares.

13. Upon a consolidation of fully paid shares into shares of larger amount the Directors may settle any difficulty which arises and in particular may, as between the holders of shares consolidated, determine which shares are consolidated into each consolidated share. In the case of any shares registered in the name or names of one or more members being consolidated with shares registered in the name or names of another member or members, the Directors may make such arrangements for the sale of the consolidated share or for the issue, acceptance or sale of fractional certificates and may sell the consolidated share or the fractions represented by fractional certificates, either upon the market or otherwise, to such person or persons at such times and at such prices as they think fit. The Directors shall distribute the net proceeds of sale among the members rateably in accordance with their interests in the consolidated share or the fractions represented by the fractional certificates. For the purpose of giving effect to a sale the Directors may appoint some person to transfer the shares or fractions sold to the purchasers.
14. The Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of the Statutes. The special resolution sanctioning the issue shall also make such alterations to these Articles as are necessary to specify the terms on which and the manner in which the shares are to be redeemed.

MODIFICATION OF RIGHTS

15. All or any of the rights or privileges for the time being attached to any class of shares forming part of the capital for the time being of the Company (and notwithstanding that the Company may be or be about to be in liquidation) may be modified or abrogated in any manner with the sanction of an Extraordinary Resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to General Meetings (including the obligation to notify members as to their right to appoint proxies) shall *mutatis mutandis* apply, provided always that the necessary quorum shall be members of the class holding or representing by proxy one-third of the capital paid up on the issued shares of the class, and that the members of such class shall on a poll have one vote for each share of the class held by them respectively, provided also that if at any adjourned meeting of the members of such class a quorum as above defined is not present, those members who are present shall form a quorum.
16. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Company, such commission not to exceed 10 per cent of the price at which the shares are issued or an amount equivalent thereto. Such commission and its rate or amount shall be disclosed as required by law and the London Stock Exchange. Any such commission may be paid in cash or in fully paid shares of the Company, or partly in one way and partly in the other.

SHARES

17. Subject to the provisions of the Statutes and these Articles and to any direction given by the Company in general meeting, the Directors may allot, grant options over, or otherwise deal with or dispose of shares or rights to subscribe for or convert any security into shares to such persons (including Directors) at such times and generally on such terms and conditions as they think proper, but so that no shares shall be issued at a discount.
18. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share. The Company shall not be bound to register more than 4 persons as joint holders.
19. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles otherwise expressly provided or as by statute required or under an order of Court) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
20. Every member shall without payment be entitled to receive within five days after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) a certificate under the seal (or such other authentic action as the Board shall determine) specifying the shares allotted or transferred to him, and the amount paid up thereon. In the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Where part only of the shares comprised in a certificate are transferred, the member transferring shall be entitled without payment to a certificate for the balance thereof.
21. If any such certificate shall be worn out, defaced, destroyed or lost, it may be replaced (without fee) on such evidence being produced as the Directors shall require, and in case of wearing out or defacement on delivery up of the old certificate, and in case of destruction or loss on execution of such indemnity (if any) as the Directors may from time to time require.

UNCERTIFICATED SHARES

22. (A) In this article 22 words and phrases defined in the Uncertificated Securities Regulations have the meanings assigned to them by those definitions.
- (B) Any shares in the capital of the Company which are uncertificated may be transferred in accordance with the Uncertificated Securities Regulations and not otherwise.
- (C) No provision of these articles requiring the issue, production or delivery (howsoever expressed) of a share certificate shall apply to any uncertificated share.
- (D) The register shall be made up, in respect of uncertificated shares, in accordance with and subject to the Uncertificated Securities Regulations, to the exclusion of any requirement of these articles relation to instruments of transfer.

- (E) The provisions of these articles whereby a person entitled by transmission to a share in the capital of the Company may elect that he or any other person be registered as the holder of it shall not apply to an uncertificated share (registration only being permitted on receipt by the Company of properly authenticated dematerialised instructions).
- (F) The provisions of these articles with respect to the payment of dividends or other monies payable in respect of a share in the capital of the Company shall, in relation to an uncertificated share, be subject to any properly authenticated dematerialised instructions received by the Company.
- (G) In relation to an uncertificated share in the capital of the Company, any provision of these articles enabling a person to be appointed to execute an instrument of transfer shall have the effect of enabling that person to be appointed to authorise the giving of relevant properly authenticated dematerialised instructions (not being inconsistent with the provision in question) as may be requisite for the disposal of the share in accordance with the terms of his appointment.
- (H) If there is any conflict or inconsistency between this article 22 and any other article, this article shall prevail.

LIEN ON SHARES

- 23. Subject to the provisions of the Act the Company shall have a first and paramount lien and charge on all the shares not fully paid up registered in the name of a member (whether solely or jointly with others) for all moneys due to the Company from him or his estate, either alone or jointly with any other person, whether a member or not, and whether such moneys are presently payable or not. The Company's lien (if any) on a share shall extend to all dividends or other monies payable thereon.
- 24. For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made until such time as the moneys are presently payable, and until the expiration of 14 days after a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such manner as the Directors shall think fit on such member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for 14 days after such notice.
- 25. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due, and the residue (if any) shall be paid to the member or the persons (if any) entitled by transmission to the shares; provided always that the Company shall be entitled to a lien upon such residue in respect of any moneys due to the Company but not presently payable as it had upon the shares immediately before the sale thereof.
- 26. Upon any such sale as aforesaid, the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase monies, nor be affected by any irregularity or invalidity in the proceedings and after his name has been entered in the register the validity of the sale shall not be

impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

CALLS ON SHARES

27. The Directors may, subject to these Articles and to any conditions of allotment, from time to time make such calls upon the shareholders in respect of all moneys unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call, and each shareholder shall be liable to pay the amount of every call so made upon him to the Company and at the times and places appointed by the Directors. A call may be made payable by instalments. A call shall be deemed to have been made as soon as the resolution of the Directors authorising such call shall have been passed, and may be revoked or postponed by the Directors.
28. The holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
29. If before or on the day appointed for payment thereof a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at the rate of 10 per cent per annum (or such lower rate as the Directors may determine) from the day appointed for payment thereof to the time of actual payment, but the Directors shall have power to remit such interest or any part thereof. Such person shall also pay (if demanded) any costs, charges or expenses incurred by the Company in order to procure payment or arising from the non payment.
30. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date and any instalment of a call shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other the relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.
31. The Directors may from time to time on the issue of shares differentiate between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.
32. The Directors may, if they think fit, receive from any shareholder willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon all or any of the moneys so advanced the Directors may (until the same would, but for such advance, become presently payable) pay or allow such interest (not exceeding 10 per cent per annum) as may be agreed upon between them and such shareholder, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
33. No shareholder shall be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a member, until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any person, together with interest and expenses (if any).

TRANSFER OF SHARES

34. Subject to the provisions of these Articles a member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board, and such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect of it.
35. Right to refuse registration
- (A) Subject to the provisions of these Articles and the requirements of the London Stock Exchange and (where appropriate) the Uncertificated Securities Regulations, the board may, in its absolute discretion and without giving any reason (provided that where any such shares are admitted to the official list of the London Stock Exchange or to AIM such discretion may not be exercised in such a way as to prevent dealings in the shares from taking place on an open and proper basis) refuse to register any share transfer or renunciation of a renounceable letter of allotment unless:
- (i) it is in respect of a share which is fully paid up;
 - (ii) it is in respect of a share on which the Company has no lien;
 - (iii) it is in respect of only one class of shares;
 - (iv) it is in favour of a single transferee or not more than four joint transferees;
 - (v) it is duly stamped (if so required); and
 - (vi) it is delivered for registration to the office or such other place as the board may from time to time determine, accompanied (except in the case of a transfer by a recognised person where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer.
- (B) If the board refuses to register a transfer of a share, it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee. Any instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered shall, subject to the provisions of these Articles, be retained by the Company.
36. No fee shall be charged by the Company for the registration of any transfer or other document relating to or affecting the title to any share or the right to transfer it for making any other entry in the register.
37. Subject to the provisions of the Uncertificated Securities Regulations, the registration of transfers of shares may be suspended at such times and for such period (not exceeding 30 days in any year) as the board may from time to time determine.

TRANSMISSION OF SHARES

38. In the case of the death of a member, the survivors or survivor, where the deceased was

a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

39. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may upon producing such evidence of title as the Directors shall require, and subject as provided below, either be registered himself as holder of the share, or elect to have some person nominated by him registered as the transferee thereof.
40. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him and stating that he so elects. For all purposes of these Articles relating to the registration of transfers of shares, such notice shall be deemed to be a transfer, and the provisions of these Articles relating to the right to transfer and registration of transfers shall apply as if the event upon which the transmission took place had not occurred and the notice were a transfer executed by the person from whom the title by transmission is derived.
41. If the person so becoming entitled shall elect to have his nominee registered, he shall execute in favour of his nominee a transfer of such share. The provisions of these Articles relating to the right to transfer and registration of transfers shall apply to such transfers as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.
42. The Board may at any time give notice requiring any such person as is referred to in Articles 40 and 41 to elect either to register himself or to transfer the share and, if such notice is not complied with within 60 days, the Board may, after that time, withhold payment of all dividends and other monies payable in respect of such share until the requirements of the notice have been complied with.
43. A person entitled to a share by transmission under the preceding Articles shall be entitled to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled to receive notices of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a member, unless and until he shall have been registered a member in respect of the share.

FORFEITURE OF SHARES

44. If any shareholder fails to pay the whole or any part of any call or any sum which, by the terms of issue of a share becomes payable on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call, or any part thereof, remains unpaid, serve a notice on him requiring him to pay such call, or such part thereof as remains unpaid, together with any accrued interest and any expenses incurred by the Company by reason of such non-payment.
45. The notice shall name a further day (not being less than 7 days later) on or before which such call, or part and all such interest and expenses as aforesaid, are to be paid. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited. The Directors may accept the

surrender of any share liable to be forfeited.

46. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.
47. A forfeiture of shares under the preceding Articles shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
48. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share, or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the date of the forfeiture shall forthwith be made in the register of members opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
49. Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited share has been otherwise disposed of permit the share so forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon any further or other terms they may think fit.
50. A forfeited share shall become the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and whether with or without all or any part of the amount previously paid on the share being credited as paid. The Directors may, if necessary, authorise some person to transfer a forfeited share to any such other person as aforesaid.
51. A shareholder whose shares have been forfeited shall, cease to be a member in respect of the forfeited shares but shall remain liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, with interest thereon to the date of payment at such rate, not exceeding 10 per cent per annum, as the Directors shall think fit, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture.
52. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.
53. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the time when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated. The declaration and the receipt of the Company for any consideration given for the share on sale, allotment or disposal,

together with the relevant share certificate delivered to a purchaser or allottee thereof, shall constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such purchase or allotment, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

UNTRACED SHAREHOLDERS

54. (A) The company may sell (in such manner and for such price as the Directors think fit) the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if:
- (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the first date), being a period during which at least three dividends have been payable, all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed; and
 - (ii) the Company on expiry of the period of 12 years has given notice, by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles is located, of its intention to sell the shares; and
 - (iii) during the period of 12 years and the period of 3 months following the publication of the advertisements, or following the later publication if the two advertisements are published on different dates, the Company has received no indication either of the whereabouts or of the existence of the member or person; and
 - (iv) notice has been given to the London Stock Exchange of its intention to make the sale.
- (B) To give effect to a sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares. The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds and shall enter the name of the former member or other person in the books of the Company as a creditor for that amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors think fit.

CONVERSION OF SHARES INTO STOCK

55. The Company may by ordinary resolution convert all or any of its paid-up shares into stock and may re-convert any such stock into paid-up shares of any denomination. The provisions of these Articles relating to paid up shares shall apply to stock.
56. When any shares have been converted into stock, the holders of such stock may transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will admit. The Directors may, from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, provided that the minimum shall not exceed the nominal amount of the shares from which the stock arose, and may prescribe that stock is to be divided and transferable in units of corresponding amount.
57. The holders of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends, profits and assets of the Company, shall be conferred by any such holding of stock as would not, if existing in shares, have conferred such privilege or advantage.

SHARE WARRANTS

58. The Directors may issue warrants ("share warrants") in respect of fully paid up shares stating that the bearer is entitled to the shares specified, and may provide by coupons or otherwise for the payment of future dividends on shares included in the warrants. The Directors may determine and vary the conditions upon which share warrants are issued and upon which a new share warrant or coupon is issued in the place of one worn out, defaced or destroyed. No new share warrant or coupon shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed. The Directors may also determine and vary the conditions upon which the bearer of a share warrant is entitled to receive notices of and attend and vote at general meetings or to join in requisitioning general meetings, and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it. The Directors may require the holder or person who claims to be the holder of a share warrant to produce his warrant and to satisfy them that he continues to be the holder. Subject to such conditions and to these Articles, the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold it subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such warrant.

DISCLOSURE OF INTERESTS IN SHARES

59. Where a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to Section 212 of the Act and has failed in relation to any shares (the "default shares") to give the Company the information required by that notice within 14 days from the date of service of the notice (or such other period as may be prescribed from time to time by the Acts or the London Stock Exchange), the following sanctions shall apply, unless the Board otherwise determines:

- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate 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 the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class:
 - i) any dividend or other money payable in respect of the default shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 73, to receive shares instead of that dividend; and
 - ii) no transfer, other than an excepted transfer (as defined in Article 62), of the default shares shall be registered unless:
 - 1) the member is not himself in default as regards supplying the information required; and
 - 2) the member provides to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer.
60. Where the sanctions under Article 59 apply in relation to any shares, they shall cease to have effect:
- (a) if the shares are transferred by means of an excepted transfer; or
 - (b) following receipt by the Company of the information required by the notice issued pursuant to Section 212 of the Act.
61. Where, on the basis of information obtained from a member in respect of any share held by him, the Company issues a notice pursuant to Section 212 of the Act to any other person, it shall, at the same time, send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 60.
62. For the purposes of Articles 59 to 61 (inclusive):
- (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice under Section 212 of the Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
 - (b) "interested" shall be construed in the same way as it is construed 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 reference to his having failed or refused to give all or any part of it and 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) an "excepted transfer" means in relation to any shares held by a member:
 - (i) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of the Act);
 - (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 sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

DIVIDENDS AND RESERVE FUND

- 63. Subject to any rights or privileges for the time being attached to any shares in the capital of the Company having preferential, deferred or other special rights in regard to dividends, the profits of the Company available for and resolved to be distributed by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively. No dividend may be paid otherwise than in accordance with Part VIII of the Act.
- 64. The Company in General Meeting may from time to time declare dividends. No higher dividend shall be paid than is recommended by the Directors, and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive. The Directors may, if they think fit, and if in their opinion the position of the Company justifies such payment, from time to time pay an interim dividend, or pay any preferential dividends on shares issued upon the terms that the preferential dividends thereon shall be payable on fixed dates.
- 65. With the sanction of a General Meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the members in accordance with their rights of fully paid shares, stock or debentures of any other company, or of any other property suitable for distribution in specie. The Directors shall give effect to the resolution and shall have full authority to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as may in their opinion be necessary or expedient with a view to facilitating the equitable distribution amongst the members of any dividends or portions of dividends to be satisfied in specie or to giving them the benefit of their proper shares and interests in the property, and no valuation, adjustment or arrangement so made shall be questioned by any member.

66. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall at the discretion of the Directors be applicable for any purposes for which the profits of the Company may lawfully be applied, and the Directors may divide the reserve into separate funds for special purposes, and may either employ the reserve in the business of the Company or invest the same in such investments (other than the shares of the Company) as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company, without placing them to reserve.
67. The Directors may deduct from any dividend or other moneys payable in respect of any shares held by a member, either alone or jointly with any other member, all such sums of money (if any) as may be due and payable by him either alone or jointly with any other person to the Company on account of calls or otherwise in relation to the shares of the Company.
68. Any dividend, instalment of dividend or interest in respect of any share may be paid by cheque or warrant payable to the order of the member entitled thereto or by direct bank transfer to such bank account as the member directs, or (in the case of joint holders) of that member whose name stands first on the register in respect of the joint holding. Every such cheque or warrant shall (unless otherwise directed) be sent by post to the last registered address of the member entitled thereto. Payment of the cheque or warrant or bank transfer shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
69. No unpaid dividend or interest shall bear interest as against the Company.
70. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account for the benefit of the Company shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.
71. The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
72. The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.

SCRIP DIVIDENDS

73. (A) The Directors may, if authorised by an ordinary resolution, offer any holders of ordinary shares one or more of the following options:
- (a) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, either to invest the cash in subscribing for unissued ordinary shares, payable in full or by instalments, or in paying up in full or by instalments any unpaid or partly

paid ordinary shares held by them; or

- (b) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, to elect to receive new ordinary shares credited as fully paid; or
- (c) to forego their entitlement to all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them and to take instead fully paid bonus ordinary shares; or
- (d) any other option in respect of all or any part (to be determined by the Directors) of any dividend on any ordinary shares held by them as the Directors determine.

(B) In relation to the above options, the following provisions apply:

- (a) the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period;
- (b) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be, as nearly as possible, equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the ordinary shares up or down so as to procure that the entitlement of each shareholder to new ordinary shares is represented by a simple numerical ratio. For this purpose, "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange as derived from the Daily Official List, on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the ordinary shares are first quoted "ex" the relevant dividend, or in such other manner as may be determined by or in accordance with the ordinary resolution;
- (c) on or as soon as practicable after announcing that they are to declare or recommend any dividend the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of ordinary shares in writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective;
- (d) the Directors shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;

- (e) the Directors may exclude from any offer any holders of ordinary shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws or the rules of any regulatory bodies or of any Stock Exchange of any territory or that for any other reason the offer should not be made to them;
- (f) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (the "elected ordinary shares") and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated above. For this purpose the directors may capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not it is available for distribution as the Directors determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis;
- (g) the additional ordinary shares when allotted shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered;
- (h) the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of ordinary shares may elect to receive ordinary shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked;
- (i) the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to this Article including (without limitation) making such provisions as they think fit in relation to any fraction of an ordinary share which may or would arise from the application of this paragraph (B) including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the shareholders concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid ordinary shares by way of bonus to or cash subscription on behalf of the shareholder.

CAPITALISATION OF RESERVES

74. Subject to Section 80 and Part VIII of the Act the Company in General Meeting may, upon the recommendation of the Directors resolve to capitalise any amount standing to the credit of any reserve fund or reserve account of the Company, or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution amongst the ordinary shareholders in the shares and proportions

in which they would have been entitled thereto if the same had been distributed by way of dividend on the Ordinary Shares, on condition that it is not paid in cash but is applied (and the Directors shall in accordance with such resolution apply such sum) in paying up in full any unissued shares in the capital of the Company, or (save as regards any amount standing to the credit of a share premium account or capital redemption reserve fund) any debentures or debenture stock of the Company to be allotted and distributed credited as fully paid up to and amongst, such shareholders in the proportions aforesaid, in satisfaction of their shares and interests in the said capitalised sum, or save (as regards any such amount as aforesaid) shall apply the sum so resolved to be capitalised or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued Ordinary Shares held by such shareholders. Where any difficulty arises in respect of any such distribution the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares, debentures or debenture stock, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares, debentures or debenture stock in trustees upon such trusts for or for the benefit of the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. A proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution, and such appointment shall be effective and the contract shall be binding on all members.

GENERAL MEETINGS

75. A General Meeting shall be held as the Annual General Meeting in every calendar year, at such time and place as may be determined by the Directors, but so that not more than fifteen months shall elapse between the holding of any two successive Annual General Meetings.
76. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.
77. The Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened on the requisition of members in accordance with the Statutes and with the circulation of statements as are provided, or in default may be convened by such requisitionists, as provided by the Statutes.
78. Twenty-one days' notice in writing at the least of every meeting convened for the purpose of passing a Special Resolution and of every Annual General Meeting and fourteen days' notice in writing at the least of every other General Meeting (the length of notice being exclusive in every case both of the day on which the notice is served or deemed to be served and of the day for which the notice is given), specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, and, in the case of a meeting convened to consider a special or extraordinary resolution the intention to propose such a resolution and its terms, shall be given in manner hereinafter mentioned to such persons, including the Auditors, as are under the provisions hereinafter contained or under the Act entitled to receive notices from the Company, provided always that with such consents as are prescribed by the Act a meeting may be convened upon a shorter notice and in such manner as the

consenting members may approve; but the accidental omission to give such notice to or the non receipt of such notice by any person entitled to receive the same shall not invalidate any resolution passed or proceeding had at any such meeting. Every notice of an Annual General Meeting shall describe the meeting as an Annual General Meeting and every notice of a General Meeting or a class meeting shall comply with any requirements of the Statutes as regards the notification to members of their rights as to the appointment of proxies.

PROCEEDINGS AT GENERAL MEETINGS

79. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring a dividend, the consideration of the balance sheet and profit and loss account, the group accounts (if any), and the reports of the Directors and Auditors and other documents required to accompany or be annexed to the balance sheet, the election of Directors in place of those retiring and the appointment and fixing of the remuneration of the Auditors and the grant, renewal, limitation, extension or variation of any authority of or to the Board, under Section 80 of the Act, to allot securities.
80. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Three members personally present shall be a quorum for all purposes. A corporation shall be deemed to be present if represented by its representative duly authorised under Article 98.
81. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place (or as the Directors may determine), and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present shall be a quorum.
82. The Chairman, with the consent of any meeting at which a quorum is present, may adjourn the meeting from time to time and from place to place, as the meeting shall determine. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
83. The Chairman (if any) of the Board of Directors or, in his absence, a deputy chairman (if any) shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be present but unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, one of themselves to be Chairman of the meeting.
84. At any General Meeting of the Company a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman of the meeting or by at least three members for the time being entitled to vote at the meeting, or by a member or members

representing one-tenth or more of the total voting rights of all the members having the right to vote at the meeting, or by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. Unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn, but the Chairman or other members entitled to require a poll may demand a poll.

85. The instrument appointing a proxy to vote at a meeting shall be deemed to confer authority to demand or join in demanding a poll, and for the purposes of the last preceding Article a demand by a person as proxy for a member shall be the same as a demand by the member.
86. If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the Chairman of the meeting, of sufficient magnitude to vitiate the resolution.
87. If a poll is duly demanded it shall be taken at such time (either at the meeting or within thirty days after the meeting) and place and in such manner as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
88. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.
89. In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member.
90. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

91. Subject to any special rights or restrictions as to voting attached by or in accordance with the Articles to any class of shares, on a show of hands every member who (being an individual) is present in person (or being a corporation) is present by a representative, shall have one vote and on a poll every member who is present in person or by representative or by proxy shall have one vote for every share of which he is the holder.
92. In the case of joint holders of a share, any one of them may vote at any meeting either personally or by proxy, but if more than one joint holder is present at a meeting either personally or by proxy, the vote of the first named in the register of members shall be accepted to the exclusion of the votes of the other joint holders.
93. On a poll votes may be given either personally or by proxy and a person entitled to more

than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a member of the Company.

94. A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any person authorised to do so on his behalf and that person may on a poll vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office not less than 3 days before the time for holding the meeting.
95. No member shall be entitled to vote at any general meeting either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
96. No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Every vote not disallowed at the meeting shall be valid for all purposes. An objection made in due time shall be conclusive.
97. (A) An instrument appointing a proxy shall be in writing in the usual common form or in any other form which the Directors may accept and:-
 - (i) in the case of an individual shall be signed by the appointor or by his attorney; and
 - (ii) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation.

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

- (B) An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting (or if no place is so specified, at the Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll at which it is to be used, and in default shall not be treated as valid. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates.
 - (C) An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates.
98. A corporation holding shares conferring the right to vote may, by resolution of its directors or other governing body, authorise any of its officials or any other person to act as its representative at any meeting of the Company or at any meeting of holders of any class of shares of the Company. The authorised person shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual member of the Company.

99. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation In Writing of the death, incapacity, revocation or transfer has been received at the Office at least 48 hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

100. Until otherwise determined by ordinary resolution, the number of Directors shall not be less than two nor more than ten.
101. The Directors may from time to time appoint and the Company may by ordinary resolution elect, any other person to be a Director either to fill a casual vacancy or by way of addition to the Board. Any Director appointed under this Article shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall be eligible for election as a Director at that meeting.
102. The continuing Directors at any time may act, notwithstanding any vacancy in their body; provided always that in case the Directors shall at any time be or be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body or calling a General Meeting of the Company, but not for any other purpose.
103. The Shareholding qualification for a Director is 1000 ordinary shares of 10p each (or the equivalent nominal value if the issued share capital in the Company is split or consolidated or otherwise changes) and Section 291 of the Act shall be complied with by any Director.
104. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company by ordinary resolution determine. The remuneration shall be divided among them in such proportions and manner as the Directors determine, and in default of a determination within a reasonable period, equally, except that any Director holding office for less than a year or other period for which remuneration is paid shall rank in the division in proportion to the fraction of the year or other period during which he has held office. The remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or committees of the Directors or general meetings of the Company or in connection with the business of the Company.
105. The Directors may grant special remuneration, profit sharing or otherwise to any member of the Board who, being called upon, shall be willing to render any special or extra services to the Company, (including in an executive capacity) or to go or reside abroad in connection with the conduct of any of the affairs of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by a lump sum or by way of salary, or by a percentage of profits, or by any or all of those modes.

106. Subject to the provisions of sections 312 and 313 of the Act, and without prejudice to any other powers conferred upon them by the Articles of the Company, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office with the Company or to his widow or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

EXECUTIVE DIRECTORS

107. The Directors may from time to time appoint one or more of their body to an executive office as Chairman, Vice Chairman, Managing Director, Chief Executive or any other salaried appointment for such period, at such remuneration and upon such terms as to the duties to be performed, the powers to be exercised and all other matters as they think fit. Section 319 of the Act shall apply to such appointment. Such person shall be invested with any powers or entrusted with any duties which the Directors themselves could have exercised or performed. The remuneration of a such person may be by way of salary or participation in profits, or and (unless otherwise agreed) it shall be additional to any remuneration payable to him as a Director and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from his office. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company, his appointment shall automatically determine if he ceases from any cause to be a Director, or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an executive Director should be determined.

BORROWING POWERS

108. (A) Subject to these Articles and the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets including uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure that the aggregate principal amount for the time being remaining undischarged of all borrowings by the Group (exclusive of intra-group borrowings) shall not any time without the previous sanction of an Ordinary Resolution of the Company exceed five times the adjusted capital and reserves of the Company for the time being issued.
- (C) For this purpose:
- (i) "the Adjusted Capital and Reserves" means at any time the aggregate of:
 - (a) the amount paid up or credited as paid up on the issued share capital of the Company; and
 - (b) the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve and credit balance on profit and loss account) all as shown by the latest

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

(ii) "borrowings" include the following except in so far as otherwise taken into account:

- (a) the nominal amount of any issued share capital and the principal amount of any Debentures or borrowed monies of any person, the beneficial interest in which is not owned by a member of the Group and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group, but excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;
- (b) the outstanding amount raised by acceptances by a bank or accepting house under an acceptance credit opened on behalf of and in favour of a member of the Group, excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;
- (c) the principal amount of any Debenture of a member of the Group owed otherwise than to another member of the Group; and
- (d) the principal amount of any preference share capital of a subsidiary owned otherwise than by a member of the Group; and
- (e) any premium payable on repayment of any borrowing or deemed borrowing;

but does not include:

- (f) borrowings for the purposes of repaying the whole or any part of borrowings by a member of the Group within 6 months of being borrowed, pending their application for that purpose within that period; and
 - (g) borrowings for the purpose of financing a contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department fulfilling a similar function, to an amount not exceeding the part of the price which is guaranteed or insured;
- (iii) when the aggregate principal amount of borrowings to be taken into account for the purposes of this Article on any particular date is being ascertained:

- (a) monies denominated or repayable in a currency other than sterling (or any other currency in which the Company may denominate its balance sheet) shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that date (or the nearest relevant business day) in London. For this purpose the rate of exchange shall be taken as the middle market value as at the close of business; or where the repayment of such monies is expressly covered by a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in that document; and
- (b) where under the terms of borrowing (and whether as a result of exchange rate conversion or otherwise) the amount of money that would be required to discharge the principal amount in full if it fell to be repaid (at the option of the Company or by reason of default) on that date is less than the amount that would otherwise be taken into account in respect of that borrowing for the purpose of this Article, the amount of the borrowing shall be taken to be the lesser amount;
- (iv) "audited balance sheet" means the then latest audited balance sheet of the Company and its subsidiaries or audited consolidated balance sheet prepared for the purposes of the Statutes; and in the latter event "audited balance sheet" means the audited consolidated balance sheet, the references to reserves and profit and loss account being references to the consolidated reserves and consolidated profit and loss accounts respectively, any amounts attributable to outside interests in subsidiaries being excluded. The Company may change the accounting convention on which the audited balance sheet is based, provided it complies with the requirements of the Statutes. If the Company prepares its main audited balance sheet on the basis of one convention but a supplementary audited balance sheet or statement on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article.
- (D) A certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive for the purposes of this Article.
- (E) No lender or other person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether this limit is observed. No borrowing incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the borrowing was incurred or security given express notice that the limit had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

109. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject, nevertheless, to any regulations of these Articles, to the provisions of the Statutes, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting. No regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article.
110. The Directors may arrange that any branch of business carried on by the Company or any other business in which the Company is interested shall be carried on by or through one or more subsidiaries or branches whether in the UK or elsewhere. They may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business or for financing, assisting or subsidising any subsidiary or guaranteeing its contracts, obligations or liabilities. They may appoint, remove and reappoint any person (whether a member of their own body or not) to act as a director, managing director or manager of a branch, subsidiary or any other company in which the Company is interested, and may determine his remuneration (whether by way of salary, commission on profits or otherwise). A Director may retain any remuneration payable to him in respect of the appointment.
111. The Directors may by power of attorney appoint a person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they think fit. The power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may authorise the attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
112. (A) The Directors may procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, benefits or emoluments to, any person (including directors and other officers whether of the Company or of any other company referred to in this paragraph) who is or has been in the employment of the Company or any branch or agency, or of any company which is a subsidiary of the Company or a predecessor in business of the Company or a subsidiary, or of any allied or associated companies of the Company or any such companies and the spouses, widows, widowers, families, dependants or connections of any such persons.
- (B) The Directors may establish, maintain and give effect to any scheme approved by an ordinary resolution for the allotment of or the grant of options to subscribe for shares of the Company to persons (including Directors) in the employment of the Company or any subsidiary of the Company and may exercise all the powers conferred on them by the scheme (including any power to alter or add to its provisions). These Articles shall be deemed to be modified so far as may be necessary to give effect to the scheme in respect of any shares in issue or under

option.

- (C) The Directors may procure any of the matters referred to in this Article are done by the Company either alone or in conjunction with any other company.

113. All cheques, drafts, promissory notes, bills of exchange and other negotiable instruments belonging to the Company shall be paid to or deposited with the Company's bankers to accounts in the name of the Company or accepted endorsed or otherwise dealt with as the Directors may determine. Cheques on the Company's bankers shall be signed, drawn or otherwise executed as the Directors may determine.

DISQUALIFICATION OF DIRECTORS

114. The office of a Director shall be vacated-

- (A) If he becomes bankrupt or a receiving order is made against him, or he makes any arrangement or composition with his creditors.
- (B) If he becomes of unsound mind or a patient for any purpose under any mental health statute, and the Directors so resolve.
- (C) If he is absent from the meetings of the Directors during a continuous period of six months (and without an alternate in his place) without special leave of absence from the Directors, and they pass a resolution that he has by reason of such absence vacated office.
- (D) If by notice in writing to the Company he resigns his office.
- (E) If he is removed from office by a resolution duly passed under or is prohibited by any provisions of the Statutes.
- (F) If he is requested in writing by all his co-Directors to resign.

115. (A) A Director may hold any other office or appointment with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board determines, and may be paid such extra remuneration for it (whether by way of salary, commission, participation in profits or otherwise) as the Board determines. The extra remunerations shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company is interested, and shall (unless otherwise agreed) not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in that company. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be

directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company, and subject to this Article any Director may vote in favour of such resolution notwithstanding that he may be interested as a potential appointee.

- (D) A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination).
- (E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms or the termination of the appointment) of two or more Directors to offices with the Company or another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, 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 (or the arrangement or variation of its terms or its termination) and except (in the case of an office with another company) where the other company is a company in which the Director owns 1 per cent or more.
- (F) Subject to the Statutes and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or as vendor or purchaser or in any other manner. No contract or arrangement in which a Director is interested shall be liable to be avoided. The Director shall not be liable to account to the Company or the members for any remuneration, profit or other benefits realised by the contract or arrangement by reason of his holding that office or of the resulting fiduciary relationship.
- (G) A Director who is to his knowledge is interested, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or, in any other case, at the first meeting of the Board after he knows that he is or has become interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with the company or firm shall be a sufficient declaration of interest under this Article in relation to any contract or arrangement made with the company or firm. A notice shall not be effective unless either it is given at a meeting of the Board or the Director giving it takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- (H) Except as otherwise provided by these Articles, a Director must not vote on (or be counted in the quorum in respect of) any resolution of the Board concerning a contract or arrangement or other proposal in which he is to his knowledge, directly or indirectly, materially interested. If he does, his vote shall not be counted. This prohibition does not apply to any of the following matters, namely:

- (i) a contract or arrangement for giving to the Director security or guarantee or indemnity in respect of
 - (a) money lent by him or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;
 - (ii) where the Company or any of its subsidiary undertakings is offering securities in which offer the Director is, or may be, entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
 - (iii) relating to another company in which he does not hold an interest in shares (as that term is used in Part VI of the Act) representing 1 per cent or more;
 - (iv) relating to a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which has been approved by the Inland Revenue or is conditional upon that approval or does not award him any privilege or benefit not awarded to the employees to whom the scheme relates; or
 - (v) concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or the benefit of persons including Directors.
- (I) A company shall be deemed to be a company in which a Director owns 1 per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in 1 per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- (J) Where a company in which a Director owns 1 per cent or more is materially interested in a transaction, he shall also be deemed materially interested in the transaction.
- (K) If any question arises at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, or not to be counted in the quorum such question shall be referred to the chairman of the meeting. His ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed (whether apparent at the meeting or subsequently). If

the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board (whether apparent at the meeting or subsequently).

- (L) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

ROTATION OF DIRECTORS

116. At the Annual General Meeting in every year one-third of the Directors for the time being or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office at the close of the meeting. A Director retiring under Article 101 shall not be taken into account in determining the Directors to retire by rotation at the meeting.
117. The Directors to retire in every year shall be the Directors who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall in the absence of agreement be selected from among them by lot. A retiring Director shall be eligible for re-election.
118. The Company may, at the meeting at which any Director retires in manner aforesaid, fill the vacated office by electing a person. In default the retiring Director (if willing to continue to act) shall be deemed to have been re-elected unless at such meeting it is resolved not to fill the vacated office or a resolution for the re-election of the retiring Director has been lost.
119. No person not being a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for the office of Director at any General Meeting unless, not less than 7 nor more than 21 days before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some member duly qualified to be present and vote at the meeting 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.
120. The Company may in General Meeting increase or reduce the number of Directors, and may make the appointments necessary for effecting any such increase, and may determine in what rotation such increased or reduced number shall go out of office.
121. In addition and in accordance with the provisions of sections 303 and 379 of the Act, the Company may by Ordinary Resolution remove any Director (including an Executive Director but without prejudice to any claim for damages under any contract of employment or otherwise) before the expiration of his period of office, and may, if thought fit, by Ordinary Resolution appoint another person in his stead; any person so appointed shall retain his office so long only as the Director in whose place he is appointed would have held the same if he had not been removed, but shall be eligible for re-election.

PROCEEDINGS OF DIRECTORS

122. The Directors or any committee of Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
123. A Director may, and on the request of a Director the Secretary shall, at any time call a meeting of the Directors by notice in writing to the last known address or fax or email number or by word of mouth to all the Directors; but a Director who is absent from the United Kingdom shall not be entitled to notice of any meeting of Directors, unless he leaves an appropriate means of communication with the Secretary but he shall not be entitled to any longer period of notice than the other Directors.
124. The Directors or any committee of the Directors may from time to time elect a Chairman, who shall preside at their meetings, but if no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the same, a substitute for that meeting shall be appointed by such meeting from among the Directors present.
125. The Directors may delegate any of their powers, other than the powers to borrow and make calls, to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed upon them by the Board.
126. All acts bona fide done by any meeting of Directors, or by a committee of Directors at which a quorum is present or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.
127. The Directors shall cause proper minutes to be made in books to be provided for the purpose of all appointments of officers made by the Directors, of the proceedings of all meetings of Directors and committees of Directors, and of the attendances thereat, and of the proceedings of all meetings of the Company and all business transacted, resolutions passed and orders made at such meetings, and any such minutes of any such meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting of the Company or Directors or committee, as the case may be, shall be sufficient evidence without any further proof of the facts therein stated.
128. A member of the Board, or of a committee of the Board, may participate in a meeting of the Board or the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. All business transacted by the Board or a committee of the Board shall be deemed to be validly and effectively transacted at such meeting, even though fewer than 2 Directors are physically present at the same place. The 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.

129. A resolution in writing, signed by all or a majority of the Directors entitled to notice of a meeting of the Directors or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents with the same contents each signed by one or more of the Directors or members of the committee in any form acceptable to the Directors including fax or e-mail. For the purpose of this Article, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.
130. The Directors may appoint any person to an office or employment having a title including the word "director" or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word "director" in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director (elected or appointed under these Articles) and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

ALTERNATE DIRECTORS

131. (A) A Director may appoint any person (subject to approval by the Board) to be an alternate Director, and may remove from office an alternate Director appointed by him.
- (B) An alternate Director shall be entitled (subject to his giving to the Company an address or fax and email numbers within the United Kingdom at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director, and, where the quorum exceeds two, he shall be considered as two (or more) Directors for the purpose of making a quorum.
- (C) An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director. If a Director retires by rotation but is re-elected by the meeting at which the retirement takes effect, an appointment made by him under this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.
- (D) All appointments and removals of alternate Directors shall be effected by notice in writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.
- (E) An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as his appointor by notice in writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate Director may be

indemnified by the Company to the same extent as a Director.

- (F) An alternate Director shall be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him.

SECRETARY

132. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The Directors may appoint assistant or temporary secretaries who shall be deemed to be and may fulfil the duty of secretary for the purpose of these Articles (subject to any limitations imposed in their appointment).

THE SEAL

133. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors, and every instrument to which the Seal shall be affixed shall (subject to the provisions of these presents as to certificates for shares or debentures) be signed by a Director and shall be countersigned by a second Director or by the Secretary.
134. A document signed by a Director and by the Secretary or another Director and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.
135. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having custody of them shall be deemed to be a person appointed by the Directors under this Article.

ACCOUNTS

136. The Directors shall cause proper books of account to be kept-
- (A) of the assets and liabilities of the Company,
 - (B) of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and
 - (c) of all sales and purchases of goods by the Company,

and such books shall be so kept as to give a true and fair view of the state of the Company's affairs and to explain its transactions. The books of account shall be kept at

the Office, or, at such other place or places as the Directors shall think fit, and shall always be open to the inspection of the Directors.

137. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or authorised by the Directors or by a resolution of the Company in General Meeting.
138. Once at least in every year the Directors shall lay before the Company in General Meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at its date and containing the particulars required by the Statutes for the period since the preceding account made up to a date not more than [seven] months before such meeting.
139. Such balance sheet shall be accompanied by or have annexed or attached thereto a report of the Directors as to the state of the Company's affairs (which shall duly comply with the requirements of the Statutes), a report of the Auditors, if the Company is a holding company as defined by the Statutes a consolidated balance sheet and profit and loss account and such other documents as are required by the Statutes to accompany the same or to be annexed or attached thereto. Printed copies of all such documents as aforesaid shall, twenty-one clear days at least before the annual general meeting, be delivered or sent by post to the registered address of every member who is entitled to receive the same, to the Auditors, and to every holder of debentures of the Company who is entitled to receive the same, as required by section 240 of the Act (save as indicated below) and the required number of copies of each of the said documents shall at the same time be forwarded to The London Stock Exchange. The Auditors' report shall be read before the Company in General Meeting.
140. The Company may, in accordance with Section 251 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in the preceding Article.

AUDIT

141. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.
142. The appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by the Statutes save that no Director or officer of the Company may be employed as a partner of the Auditor and no corporation may be an Auditor.

NOTICES

143. A notice or other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address. A member is entitled to receive notices notwithstanding that his address is outside the United Kingdom.
144. All notices directed to be given to the members shall with respect to any share to which persons are jointly entitled be given to whichever of such persons is named first in the register of members, and notice so given shall be sufficient notice to all the holders of

such share.

145. Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid registered letter addressed to the Company, or to such officer, at the Office.
146. Any notice or other document if served by post shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter or prepaid registered letter as the case may be.
147. Any notice or other document served upon or sent to any member in accordance with these Articles shall, notwithstanding that he be then deceased or bankrupt, and whether the Company have notice of his death or bankruptcy or not, be deemed to be duly served or sent in respect of any shares held by him (either alone or jointly with others) until some other person is registered in his stead as the holder or joint holder of such shares, and such service or sending shall be a sufficient service or sending on or to his executors, administrators or assigns and all other persons (if any) interested in such shares.
148. A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading West Midlands daily newspaper and the other a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addresses within the United Kingdom again becomes practicable.

WINDING UP

149. On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under Section 719 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them. Any surplus assets will belong to the holders of any ordinary shares then in issue according to the numbers of shares held by them or, if no ordinary shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.
150. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one

kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY AND INSURANCE

151. (A) Except so far as the provisions of this Article are avoided by any provisions of the Statutes, the Directors, Executive Directors, auditors, secretary and other officers of the Company and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, unless incurred through their own wilful neglect or default or breach of duty. None of them shall be answerable for the acts, neglects or defaults of any of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any monies or assets of the Company are lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any monies of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default or breach of duty.
- (B) Subject to the provisions of the Act, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any company or body which is its holding company or in which the Company or such holding company has an interest whether direct or indirect or which is in any way allied to or associated with the Company or who were at any time trustees of any pension fund in which any employees of the Company or any other such company or body are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other company, body or pension fund.



**CERTIFICATE OF INCORPORATION
ON RE-REGISTRATION AS A PUBLIC COMPANY**

No 31942

I hereby certify that

SAMUEL HEATH AND SONS PUBLIC LIMITED COMPANY

has this day been re-registered under the Companies Acts 1948 to
1980 as a public company, and that the company is limited.

Dated at Cardiff the

9TH OCTOBER 1981

Assistant Registrar of Companies