

THE COMPANIES ACTS 1948 AND 1985

PUBLIC COMPANY LIMITED BY SHARES

Company no. 565383

MEMORANDUM OF ASSOCIATION

of

CASSIDY BROTHERS PUBLIC LIMITED COMPANY

(As amended by a special resolution of the Company passed on  
10th October 1988)

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1. The name of the Company is "CASSIDY BROTHERS".
  2. The Company is a public company. \*
  3. The Registered Office of the Company will be situated in England.
  4. The objects for which the Company is established are:-
    - (a) To carry on business as manufacturers of, and dealers in toys and plastic materials of every description, and manufacturers of, and dealers in all articles, goods and things similar to toys or which can be made of plastics.
    - (b) To carry on business as workers in plastics, wood, glass, metals and composite substances, and to sell and deal in all articles which can be made from such substances.
    - (c) To carry on business as makers of, and dealers in precision tools, and machine and other tools; precision, mechanical and general engineers, die sinkers, engravers, metal makers, refiners and workers, platers, polishers, enamellers, and to carry on the business of vacuum metalisation of articles of all descriptions.
  - (2) To carry on or acquire any businesses similar to the businesses above-mentioned or which may be conveniently or advantageously carried on or combined with them, or may be calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property.
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\*On 10th October 1988, the Company resolved to re-register as a public company.

- (3) To purchase or sell, take or let on lease, take or give in exchange or on hire, or otherwise acquire, grant, hold or dispose of any estate or interest in any lands, buildings, easements, concessions, machinery, plant, stock in trade, goodwill, trade marks, designs, patterns, patents, copyright or licences, or any other real or personal property or any right, privilege, option, estate or interest.
- (4) To sell, lease, let on hire, improve, manage, develop, mortgage, dispose of, turn to account or otherwise deal with all or any of the property and rights and undertakings of the Company for such consideration as the Company may think fit.
- (5) To erect, build, construct, alter, improve, replace, remove, enlarge, maintain, manage, control or work any railways, tramways, roads, canals, docks, locks, wharves, stores, buildings, shops, factories, works, mills, plant or machinery necessary for the Company's business, or to join with others in doing any of the things aforesaid.
- (6) To borrow or raise money for the purposes of the Company and for that purpose to mortgage or otherwise charge the whole or any part of the Company's undertaking, property and assets including the uncalled Capital of the Company.
- (7) To remunerate any person, firm or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the Shares in the Company's Capital, or any Debentures, Debenture Stock or other Securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
- (8) Upon the issue of any Shares to employ brokers and agents and to pay underwriting commission to or otherwise remunerate by Shares or options to take Shares, or by Debentures, Debenture Stock or other Securities, persons subscribing for Shares, or procuring subscriptions for Shares.
- (9) To accept, draw, make, execute, discount and endorse bills of exchange, promissory notes or other negotiable instruments.
- (10) To apply for and take out, purchase or otherwise acquire any trade marks, designs, patterns, patents, patent rights, inventions or secret processes which may be useful for the Company's objects, and to grant licences to use the same.
- (11) To pay all the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and incorporation of the Company.
- (12) To cause the Company to be registered or otherwise incorporated in any Colony, Dependency or Foreign State where the Company's operations are carried on in accordance with the laws of such Colony, Dependency or Foreign State.

- (13) To establish or promote any company for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (14) To acquire and undertake the whole or any part of the assets and/or liabilities of any person, firm, or company carrying on any business of a nature similar to that which this Company is authorised to carry on.
- (15) To amalgamate with any company having objects similar to those of this Company.
- (16) To sell or dispose of the whole 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.
- (17) To subscribe or guarantee money for any charitable, benevolent, educational or social object, or for any exhibition or for any public, general, or useful object **which** the Directors may think desirable or advantageous to the Company.
- (18) To establish and support, or to aid in the establishment and support of, any club, institution or organisation calculated to benefit persons employed by the Company or having dealings with the Company.
- (19) To invest the moneys of the Company not immediately required upon such securities and in such manner as the Directors may from time to time determine.
- (20) To lend money to any company, firm or person and to give all kinds of indemnities and either with or without the Company receiving any consideration or advantage, direct or indirect, for giving any such guarantee, and whether or not such guarantee is given in connection with or pursuant to the attainment of the objects herein stated to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by both such methods, the performance of the obligations and the payment of the capital or principal (together with any premium) of and dividends or interest on any debenture, stocks, shares or other securities of any company, firm or person and in particular (but without limiting the generality of the foregoing) any company which is for the time being the Company's Holding or Subsidiary company as defined by Section 736 of the Companies Act 1985, or otherwise associated with the Company in business.
- (21) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorised to carry on or engage in, or any business or transaction capable of being

conducted so as directly or indirectly to benefit this Company, and to lend money to, guarantee the contracts of, or otherwise assist, any such person or company.

- (22) To take, or otherwise acquire, and hold shares, debentures, debenture stock or other securities in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (23) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is for the time being the Company's Holding or Subsidiary company as defined by Section 736 of the Companies Act 1985, or otherwise associated with the Company in business or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and also to establish and subsidise or subscribe to any institutions, associates, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (24) To distribute any of the property of the Company among its Members in specie.
- (25) To do all such things as are incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that, save as otherwise expressly provided, each of the paragraphs of this Clause shall be regarded as specifying separate and independent objects and accordingly shall not be in anywise limited by reference to or inference from any other paragraph or the name of the Company and the provisions of each such paragraph shall, save as aforesaid, be carried out in as full and ample a manner and construed in as wide a sense as if each of the paragraphs defined the objects of a separate and distinct company.

5. The liability of the Members is limited.

6. The Share Capital of the Company is £ 750,000, divided into 7,500,000 Ordinary Shares of 10p each. \*

\*The Company's share capital was increased from £12,000 divided into 12,000 Ordinary Shares of £1 each by an Ordinary Resolution passed on 14th March 1961, to £15,000 divided into 15,000 Ordinary Shares of £1 each;

was increased from £15,000 divided into 15,000 Ordinary Shares of £1 each by an Ordinary Resolution passed on 26th March 1979 to £250,000 divided into 250,000 Ordinary Shares of £1 each;

was increased from £250,000 divided into 250,000 Ordinary Shares of £1 each by an Ordinary Resolution passed on 24th October 1983 to £400,000 divided into 400,000 Ordinary Shares of £1 each;

was increased from £400,000 divided into 400,000 Ordinary Shares of £1 each by an Ordinary Resolution passed on 26th April 1988 to £500,000 sub-divided into 500,000 Ordinary Shares of £1 each; and each Ordinary Share in the Company of £1 was subdivided into 10 ordinary shares of 10p each, and the Company's share capital was increased from £500,000 divided into 5,000,000 Ordinary Shares of 10p each to £750,000 divided into 7,500,000 Ordinary Shares of 10p each, by an Ordinary Resolution passed on 10th October 1988.

WE, the several persons whose Names and Addresses are 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 our respective names.

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NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber
Thomas Daniel Cassidy Plastic Manufacturer of 28 Shetland Road Blackpool in the county of Lancaster	Fifty
Joseph Gregory Cassidy Plastic Manufacturer of 9 Ord Avenue Marton, Blackpool in the county of <b>Lancaster</b>	Fifty
TOTAL SHARES TAKEN	100

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**Dated this 19th day of April 1956**

**Witness to the above Signatures:-**

**John Scotson Darwell of  
14 Edward Street  
Blackpool  
Chartered Accountant**

NEW ARTICLES OF ASSOCIATION OF THE COMPANY

Company no. 565383

The Companies Act 1985

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PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

CASSIDY BROTHERS PUBLIC LIMITED COMPANY

(Adopted by a special resolution of the Company passed on 10th October 1988)

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PRELIMINARY

1. The regulations contained in the Schedule to The Companies (Tables A to F) Regulations 1985 (and any Table A or other model regulations applicable to the Company under any other enactment relating to companies) shall not apply to the Company.
2. In these Articles (if not inconsistent with the subject or context) the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column:

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WORDS	MEANINGS
the Act	the Companies Act 1985
these Articles	these Articles of Association as from time to time altered by special resolution
the Board	the Directors for the time being or any of them acting as the Board of Directors of the Company
the Company	Cassidy Brothers Public Limited Company or such other name by which the company may for the time being be registered in accordance with the Act
Director	a director of the Company

dividend	...	...	...	...	dividend and/or bonus
executed	...	...	...	...	includes any mode of execution
Executive Director	...	...	...	...	an executive Director of the Company
holder	...	...	...	...	in relation to shares means the Member whose name is entered in the Register as the holder of such shares
Managing Director	...	...	...	...	a managing Director of the Company
Member	...	...	...	...	a member of the Company
month	...	...	...	...	calendar month
the Office	...	...	...	...	the registered office for the time being of the Company
paid	...	...	...	...	paid or credited as paid
the Register	...	...	...	...	the register of Members of the Company
the Seal	...	...	...	...	the common seal of the Company
the Statutes	...	...	...	...	the Act and every other law from time to time in force concerning companies and affecting the Company
the Transfer Office	...	...	...	...	the place where the Register is situate
United Kingdom	...	...	...	...	the United Kingdom of Great Britain and Northern Ireland
in writing	...	...	...	...	written or produced by any substitute for writing, or partly written and partly so produced
year	...	...	...	...	calendar year

3. In these Articles:

(i) words denoting the singular number only shall include the plural number also and vice versa; wording denoting the masculine gender only shall include the feminine gender also; words denoting individuals only shall include corporations;

(ii) the expression "Secretary" shall include a deputy or assistant Secretary of the Company and any person appointed by the Board to perform any of the duties of the Secretary or a deputy or assistant Secretary (whether temporarily or otherwise) and where two or more persons are appointed to act as joint Secretaries shall include any one of those persons;

- (iii) save as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles;
- (iv) reference to any statute or provision of any statute shall be construed as a reference to any statutory modification or re-enactment thereof from time to time in force;
- (v) the headings are inserted for convenience and shall not affect the construction of these Articles.

#### SHARE CAPITAL

- 4. The share capital of the Company at the date of the adoption of these Articles is £750,000, divided into 7,500,000 Ordinary Shares of 10p each.

#### SHARES

- 5. (A) Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting, conversion or otherwise, as the Company may from time to time by ordinary resolution determine.  
  
(B) Subject to the provisions of the Statutes, the Company may issue shares which may, or at the option of the Company may become liable to, be redeemed at the option of the Company or the holder on such terms and in such manner as the Company before the issue thereof may by ordinary resolution determine.
- 6. (A) Subject to provisions of the Statutes, all unissued shares in the Company shall be at the disposal of the Board and the Board may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as it thinks proper.  
  
(B) Pursuant to and in accordance with Section 80 of the Act the Board shall be generally authorised to exercise during each prescribed period all the **powers** of the Company to allot relevant securities up to such maximum nominal amount, in aggregate, as shall result, on the assumption that all rights (if any) allotted are exercised, in the issued share capital of the Company being equal to the prescribed amount.  
  
(C) Pursuant to and within the terms of the said authority the Board shall be empowered during each prescribed period to allot equity securities for cash as if Section 89(1) of the Act did not apply to any such allotment up to such maximum nominal amount, in aggregate, as shall result, on the assumption that all rights (if any) allotted are exercised, in the issued share capital of the Company being £600,000 or such other amount as may be stated by a special resolution of the Company.  
  
(D) The authority and the power conferred on the Board in this Article 6 shall permit the Company to make any offer or agreement during a prescribed period which would or might require relevant securities or,

as the case may be, equity securities to be allotted after the expiry of such period and the Directors may, notwithstanding such expiry, allot relevant securities or, as the case may be, equity securities in pursuance of such offer or agreement.

(E) For the purposes of this Article 6:

- (i) "prescribed period" means in the first instance (and by way of variation of any existing authority conferred on the Board in this regard) the period from the date of the adoption of these Articles to the fifth anniversary thereof and shall include any further period (not exceeding the fifth anniversary of the date of the resolution effecting the renewal or extension) for which the authority and power conferred by paragraphs (B) of this Article 6 are renewed or extended by a resolution of the Company stating the prescribed amount for such period;
- (ii) "the prescribed amount" shall be £750,000 or such other amount as may be stated by a resolution of the Company;
- (iii) words and expressions defined in the Act shall bear the same meanings herein.

- 7. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.
- 8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future, partial or other interest in any share, or any interest in any fractional part of a share, or (except only as otherwise permitted by these Articles or by law) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

#### **VARIATION OF RIGHTS**

- 9. Whenever the capital of the Company is divided into different classes of shares, the rights attached to the shares of any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of not less than three-fourths of the issued shares of such class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of such class but not otherwise. To every such separate meeting the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply except:
  - (i) that the necessary quorum shall be two persons holding or representing by proxy at least one-third of the issued shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum);
  - (ii) that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively, and

(iii) that any holder of shares of the class present in person or by proxy may demand a poll.

10. Subject to the preceding Article, the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith or subsequent thereto.

#### ALTERATION OF CAPITAL

11. (A) The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, forfeiture, lien, transfer, transmission and otherwise.

(B) The Company may by ordinary resolution:-

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(ii) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;

(iii) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares shall, as compared with others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(C) Upon any consolidation of fully paid shares into shares of larger amount the Board may settle any difficulty which may arise with regard thereto and in particular may as between the holders of shares so consolidated determine which shares are consolidated into each consolidated share and in the case of any shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or other joint holders) may make such arrangements for the allocation, acceptance or sale of the consolidated share and for the distribution to the Member entitled thereto of any moneys received in respect thereof as may be thought fit and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity.

12. The Company may by special resolution reduce its share capital or any capital redemption reserve or share premium account in any manner and with, and subject to, any incident authorised and consent required by law.
13. Subject to the provisions of the Statutes, the Company may purchase any of its shares (including any redeemable shares), provided always that, if at any time there is outstanding any class of shares which are convertible into shares of any other class ("convertible shares"), such repurchase may only be made with the consent in writing of the holders of not less than three-fourths of the issued convertible shares or the sanction of a special resolution passed at a separate meeting of the holders of the convertible shares. To any such separate meeting the provisions of these Articles relating to general meetings of the Company and the proceedings thereat shall, *mutatis mutandis*, apply with the exceptions contained in Article 9.

#### CERTIFICATES

14. (A) Every person except a Stock Exchange nominee (in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a Member in the Register shall be entitled without payment to receive within two months after or within such other period as the terms of issue shall provide or as the Statutes may require one certificate for all his shares of any class or several certificates, each for a reasonable number of shares (as determined by the Board) of any one class. Any Member shall be entitled to require the issue to him of two or more new certificates for his shares of one class in the proportions he shall specify, subject to the payment by him of such reasonable out of pocket expenses as the Board may require and the surrender by him to the Company of the certificate representing the shares in respect of which such new certificates are to be issued.  
  
(B) In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be sufficient delivery to all. The Company shall not be bound to register more than four persons as the joint holders of a share (except in the case of executors or trustees of a deceased Member).  
  
(C) Every such certificate for shares shall be under the Seal affixed in accordance with Article 118 or under the official seal kept by the Company by virtue of the Statutes and affixed in accordance with Article 119, and shall specify the number, class and distinguishing numbers (if any) to which it relates and the amount or respective amounts paid up thereon.
15. Delivery of a certificate for shares to the broker or agent acting in regard to the purchase or transfer of shares to which it relates shall be sufficient delivery to the purchaser or the transferee, as the case may be.
16. Where a Member acquires additional shares he shall be entitled without payment to a further certificate for the same.

17. (A) If a share certificate shall be worn out, damaged, defaced, lost, stolen or destroyed, it may be replaced without charge (other than the payment of any exceptional expenses of the Company as the Board may require reasonably incurred in investigating evidence) by a new certificate on such terms (if any) as to evidence and indemnity as the Board may reasonably require and, in a case where the certificate is worn out, damaged or defaced, on delivery of the old certificate to the Company unless the Board otherwise agrees.
- (B) Where a Member transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

#### CALLS ON SHARES

18. Subject to any terms upon which any shares have been issued, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares and each Member shall (subject to receiving at last twenty-eight days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may wholly or in part be revoked or the time fixed for its payment may be postponed as the Board may determine.
19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable by instalments.
20. The Board may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the time of payment.
21. Without prejudice to the lien created by Article 32, the person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of *which* the call was made.
22. The joint holders of a share shall be jointly and severally liable to pay all calls, instalments, interest and other moneys in respect thereof.
23. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as may be fixed by the terms upon *which* such shares have been issued, or, if no such rate is fixed, at the appropriate rate (as defined by the Statutes) as the Board may determine and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of non-payment of such call, but the Board shall be at liberty in any case or cases to waive payment of such interest or expenses wholly or in part.
24. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on

which by the terms of issue the same becomes payable. In the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

25. The Board may if it thinks fit receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and the Company may pay interest upon the moneys so received (until and to the extent that the same would but for such advance become payable) at such rate not exceeding (unless the Company by ordinary resolution shall otherwise direct) the appropriate rate (as defined by the Statutes) as may be agreed upon between the Board and the Member paying such sum in advance.

#### FORFEITURE

26. (A) If a Member fails to pay in full any call or instalment of a call by the day appointed for payment thereof, the Board may, at any time thereafter, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.
- (B) The notice referred to in paragraph (A) of this Article 26 shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.
27. If the requirements of any notice referred to in the preceding Article are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Board may accept a surrender of any share liable to be forfeited hereunder.
28. Subject to the provisions of the Statutes a share forfeited or surrendered pursuant to the preceding Article may be sold, re-allotted or otherwise disposed of either to the person who was, before such forfeiture or surrender, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Board may think fit. The Board may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid. Any share which has been so forfeited or surrendered and which has not been disposed of as aforesaid shall be cancelled by resolution of the Board within the period specified in and otherwise in accordance with the Statutes.

29. A person whose shares have been forfeited or surrendered pursuant to Article 27 shall cease to be a member of the Company in respect of the shares but shall notwithstanding the forfeiture or surrender or the cancellation of the same remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent. per annum (or such lower rate as the Board may approve) from the date of forfeiture or surrender until payment as well after as before judgment therefor but the Board may waive payment of such interest either wholly or in part and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender.
30. A statutory declaration that the declarant is a Director or Secretary of the Company and that a share has been duly forfeited or surrendered on a date stated in the declaration shall be conclusive evidence of such facts as against all persons claiming to be entitled thereto. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### UNTRACED SHAREHOLDERS

31. (A) The Company shall be entitled to sell at the best price reasonably obtainable any share of a Member or any share to which a person is entitled by transmission on death or bankruptcy if and provided that:-
- (i) for a period of twelve years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Member or to the person entitled by transmission to the shares at his address on the Register or other the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission provided that in any such period of twelve years the Company has paid at least three dividends whether interim or final and no such dividend has been claimed;
  - (ii) the Company has at the expiration of the said period of twelve years by advertisement in both a leading London daily newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (i) of this Article is located given notice of its intention to sell such shares;
  - (iii) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person entitled by transmission; and

(iv) if so required by any applicable rule or regulation, the Company has first given notice in writing to the Quotations Department of The Stock Exchange in London of its intention to sell such shares.

(B) To give effect to any sale pursuant to paragraph (A) of this Article 31 the Board may appoint any person to execute as transferor an instrument of transfer of such shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares. The Company shall account to the Member or other person entitled to such shares for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Member or other person. Moneys carried to such separate account may either 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 Board may from time to time think fit.

#### LIEN ON SHARES

32. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time or times in respect of such share. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The Board may waive any lien which has arisen and may resolve that any share shall be (or be issued on terms that it is) exempt wholly or partially from the provisions of this Article.
33. The Company may sell in such manner as the Board may think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law. For the purpose of giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser.
34. The net proceeds of a sale under the preceding Article, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale.
35. A statutory declaration in writing that the declarant is a Director of the Company or the Secretary and that a share has been sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration given for the share on the sale

thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold shall be registered as the holder of the share and shall not be bound to see to the application of the consideration money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale of the share.

#### TRANSFER OF SHARES

36. (A) All transfers of shares shall be effected by transfer in writing in the usual or common form or in such other form as the Board may approve.
- (B) Any such instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee.
- (C) Any such transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.
37. The Board may in its absolute discretion and without assigning any reason therefor decline to register any transfer of, or which includes, shares which are not fully paid up.
38. The Board may decline to recognise any instrument of transfer unless:
- (i) the instrument of transfer is duly stamped, is in respect of only one class of shares and is deposited at the Transfer Office (or such other place as the Board may approve) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
  - (ii) it is in favour of not more than four transferees.
39. If the Board refuses to register a transfer of shares it shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
40. All instruments of transfer which are registered, and the certificates for the shares to which they refer, may be retained by the Company.
41. No fee will be charged by the Company in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.
42. The registration of transfers of shares or any class of shares may be suspended and the Register may be closed at such times and for such periods as the Board may from time to time determine (not exceeding 30 days in any year).

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

#### TRANSMISSION OF SHARES

44. In case of the death of a Member the survivors or survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder from any liability in respect of any share held by him whether alone or jointly with others.
45. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in such form as the Board may prescribe of such his desire or transfer such share to some other person, by executing a share transfer to that other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member or other event had not occurred and the notice or transfer were a transfer executed by such Member.
46. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to exercise any right conferred by membership in relation to meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof; the Board may at any time give notice requiring a person becoming entitled to a share as aforesaid to elect either to be registered himself or to transfer the share and if the notice is not complied with within such period (being not less than forty two days) as the Board may fix, the share may be sold in such manner as the Board thinks fit and, subject to the provisions of these Articles, the net proceeds of such sale shall be paid to the person entitled thereto at the time of the sale and to give effect to such sale the Board may authorise some person to transfer the share sold to the purchaser thereof. A purchaser who is registered as the holder of a share so sold shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

GENERAL MEETINGS

47. In each calendar year after the date of its first annual general meeting the Company shall hold a general meeting as its annual general meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and the next. An annual general meeting shall be held at such time and place as the Board may appoint. All other general meetings shall be called extraordinary general meetings.
48. (A) The Board may whenever it thinks fit, and shall on a requisition of Members in accordance with the Statutes, proceed to convene an extraordinary general meeting. An extraordinary general meeting when convened by the Board shall be held at such time and place as the Board may appoint provided that whenever the Board shall convene an extraordinary general meeting on the requisition of Members, it shall convene such meeting for a date not more than **six** weeks after the requisition is deposited at the Office.
- (B) If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum of the Board, any Director or any two Members may convene an extraordinary general meeting in the same manner (as nearly as may be) as that in which such a meeting might have been convened by the Board.
49. (A) An annual general meeting and any general meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least, and any other general meeting by fourteen days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in the manner hereinafter mentioned to the Auditors for the time being of the Company, to each of the Directors and to all Members (other than such as are not under the provisions of these Articles entitled to receive such notices from the Company) and to every other person who by virtue of the Statutes or these Articles is entitled to receive notices of meetings of the Company.
- (B) A general meeting notwithstanding that it has been called by a shorter notice than that specified above shall, subject to the provisions of the Statutes, be deemed to have been duly called if it is so agreed:-
- (i) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (ii) in the case of an extraordinary general meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
50. (A) Every notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not be a Member of the Company.

(B) In the case of an annual general meeting, the notice shall also specify the meeting as such.

(C) In the case of any general meeting at which it is proposed to transact special business, the notice shall specify the general nature of such *business*, and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall *contain* a statement to that effect.

51. The accidental omission to give notice of a general meeting or the accidental omission to send instruments of proxy with such notice to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS; VOTES OF MEMBERS; PROXIES

52. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of:-
- (i) the consideration and adoption of the accounts, the reports of the Directors and Auditors and other documents required to be annexed to the accounts;
  - (ii) the sanctioning or declaring of dividends;
  - (iii) the election or re-election of Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
  - (iv) the appointment of Auditors and the fixing of the remuneration of Auditors or the determination of the manner in which such remuneration is to be fixed.
53. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Save as in these Articles otherwise provided, two Members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation being a member shall be deemed to be personally present for the purposes of this Article if represented by its representative duly authorised in accordance with Article 65.
54. If within fifteen minutes from the time appointed for 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 to such later day and at such other time and place as the Board 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 in person or by proxy shall be a quorum.
55. The chairman of the Board, or in his absence the deputy chairman of the Board, shall be entitled to preside at every general meeting, but if there be no chairman or deputy chairman, or if at any meeting the chairman and deputy chairman shall not be present within fifteen minutes

after the time appointed for holding such meeting and willing to preside, the Directors present shall choose some one of their number present and willing to act to be chairman or if one Director only be present he shall preside if willing to do so. If no Director is present or if all the Directors present decline to take the chair, then the Members present shall choose one of their number to act as chairman.

56. The chairman of the meeting may with the consent of any general meeting at which a quorum is present adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
57. When a meeting is adjourned for thirty days or more or for an indefinite period, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
58. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-
  - (i) the chairman of the meeting; or
  - (ii) at least three Members present in person or by proxy and entitled to vote; or
  - (iii) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
  - (iv) any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
59. A demand for a poll may be withdrawn at any time before the conclusion of the meeting but, if withdrawn, the chairman of the meeting or other Members entitled by himself or themselves to demand a poll, may make a valid demand for a poll.
60. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes to which he may be entitled as a Member or on behalf of any other Member.
61. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately.

62. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
63. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint such scrutineer or scrutineers as he may think fit and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
64. If at any general meeting any votes shall be counted which ought not to have been counted or might have been rejected or if any votes shall not be counted which ought to have been counted, the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the resolution.
65. Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and, if present at a general meeting of the Company, may exercise the votes of such corporation as if the corporation were a shareholder present in person at such meeting.
66. Subject to any terms as to voting upon which any shares may be issued or may for the time being be held, and to the provisions of these Articles, at a general meeting of the Company every Member present in person shall have one vote on a show of hands, and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.
67. In the case of joint holders of a share any one of such holders may vote at any general meeting either in person or by proxy in respect thereof as if he were the sole holder thereof, but if more than one of such joint holders be present at any meeting either in person or by proxy that one of such persons so present whose name stands first in the Register in respect of such share shall alone be entitled to vote in respect thereof.
68. A Member suffering from mental disorder, or in respect of whom an order has been made in accordance with any law (English or otherwise) relating to the protection or management of the affairs of persons incapable of managing their own affairs, may vote, whether on a show of hands or on a poll, by any person authorised by any Court of competent jurisdiction to vote on his behalf provided that such evidence as the Board may require

of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

69. (A) A Member shall not, unless the Board otherwise determines, be entitled to vote at a general meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company:-
- (i) if all calls or other sums presently payable by him in respect of shares in the Company have not been paid; or
  - (ii) if the Member or any other person appearing to be interested in, or entitled to control the exercise of the voting rights attached to, any shares held by that Member is in default in supplying to the Company the information which such Member or other person is obliged so far as lies within his knowledge to furnish under Section 212 of the Act and which he has been required so to furnish within a period of 28 days commencing on the date on which notice in writing requiring him to do so was served on him by the Company.
- (B) For the purpose of this Article 69 a person shall be treated as appearing to be interested in any shares if the Member holding such share has given to the Company information pursuant to a notice given pursuant to sub-paragraph (A)(ii) of this Article which fails to establish the identity of the persons interested in the share and if (after taking into account such information and any other relevant information given to the Company in respect of the share) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share.
70. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
71. (A) The Board shall, at the expense of the Company, send (with all notices convening general meetings or separate meetings of the holders of any class of shares) to the Members entitled to vote thereat instruments of proxy (with or without prepaid postage) with provision for two-way voting on all resolutions intended to be proposed, other than resolutions which are merely procedural.
- (B) The accidental omission to send out an instrument of proxy, whenever necessary, to any Member or the non-receipt of such instrument by any Member, shall not invalidate any resolution passed or proceedings at the meeting to which the instrument of proxy relates.
72. A proxy need not be a Member of the Company.

73. An instrument appointing a proxy shall be in writing in the usual or common form or in any other form which the Board may accept or approve and shall provide for two way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting. Such instrument shall:-
- (i) in the case of an individual be signed by the appointor or by his attorney; and
  - (ii) in the case of a corporation be either given under its common seal or signed on its behalf by an attorney or officer of the corporation.

The Board 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.

74. An instrument appointing a proxy shall be deposited at the Office, or at such other place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting, 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 for 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. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in the cases where the meeting was originally held within twelve months from such date.
75. 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 as for the meeting to which it relates.
76. A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal by whom it was given or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, provided that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

#### DIRECTORS: NUMBER AND APPOINTMENT

77. Unless and until otherwise determined by the Company in general meeting the number of Directors shall be not less than two. The maximum number of Directors shall be as determined by ordinary resolution from time to time, but unless and until so determined shall be twelve.

78. Subject as hereinafter mentioned in this Article and in Article 83, at each annual general meeting (not being an annual general meeting adjourned from an earlier date) which is held after the date of the adoption of these Articles one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office, provided that if in any year the number of Directors subject to retirement by rotation is one, that Director shall retire. A Director holding executive office under a written contract for an unexpired term shall not be subject to retirement by rotation under this Article or be taken into account in *determining* the number of Directors so to retire. A retiring Director shall retain office until the *conclusion* of the meeting and shall be eligible for re-election.
79. The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment.
80. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void.
81. No person other than a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for election as a Director at any general meeting unless not less than six nor more than forty-two clear days before the day appointed for the meeting there shall have been given to the Secretary notice in writing signed by some Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. Notice of each and every candidate for election to the Board shall be sent to shareholders at least four days prior to the meeting at which the election is to take place.
82. The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any Director from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and elect another person in place of a Director so removed from office and any person so elected shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is elected was last elected a Director. In default of such **appointment** the vacancy arising upon the removal of a Director from office may be filled by the Board as a casual vacancy.
83. Without prejudice to the preceding Article the Board shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any

Director so appointed shall hold office only until the next annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining either the Directors or the number of Directors who are to retire by rotation at such meeting.

84. The continuing Directors may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies or summoning general meetings of the Company, but not for any other purpose and may act for either of the purposes aforesaid whether or not the number of Directors be reduced below the number fixed by or in accordance with these Articles as the quorum for Board meetings. If there be no Directors or Director able or willing to act, then any two Members may summon a general meeting for the purpose of appointing Directors.

#### DIRECTORS: REMUNERATION

85. The Directors who have not been appointed to any executive office shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company may by ordinary resolution determine, or, failing such determination, as the Board may determine, provided that the total amount of such remuneration shall not exceed £10,000 per annum. Such remuneration shall be divided among the Directors in such proportion and manner as the Board may determine and, in default of such determination within a reasonable period, equally. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of such remuneration for a full year.
86. If any Director, not being appointed to any executive office, undertakes or performs any executive, special or extra services or goes or resides aboard for any purposes of the Company then and in any of such cases the Board may remunerate the Director concerned either by a fixed sum, annual or otherwise, or in such other manner, including any arrangement as to pension or retirement allowance, as shall be determined by the Board, and such remuneration may at the discretion of the Board be either in addition to or in substitution for all or any part of any other remuneration to which such Director may be entitled under these Articles.
87. The Board may repay to any Director all such travelling, hotel and other expenses as he may properly incur in attending and returning from meetings of the Board or of any committee of the Board or general meetings or otherwise in or about the business of the Company.
88. The Board may (by establishment or maintenance of schemes or otherwise) pay or agree to pay pensions or other retirement, superannuation, death or disability benefits or allowances to or for the benefit of past or present directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to or dependants of any such directors or employees.

DIRECTORS: QUALIFICATION AND DISQUALIFICATION

89. A Director shall not require any share qualification but shall nevertheless be entitled to attend and speak at any general meeting of the Company or at any separate meeting of the holders of any class of shares in the Company, and shall be given notice of every such general and separate meeting at the same time as the persons entitled to vote thereat.
90. A Director may continue to be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and (save as the Board may otherwise determine) no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company.
91. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing all or any members of the Board as directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
92. (A) A Director may hold any office or place of profit in the Company (other than the office of Auditor) in conjunction with his office as Director upon such terms as to remuneration and otherwise as the Board may determine and may receive such remuneration in addition to any remuneration under these Articles as the Board may think fit.
- (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.
93. No Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit, or as vendor, purchaser or in any other manner whatsoever, nor (subject to the provisions of the Statutes) shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way, whether directly or indirectly, interested, be liable to be avoided, nor (subject as aforesaid) shall any Director so contracting or being so interested be liable to account to the Company for any profits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
94. (A) Without prejudice to the provisions for retirement by rotation contained in these Articles, the office of a Director shall ipso facto be vacated in any of the following events, namely:-
- (i) if he shall become prohibited by law from acting as a Director;
  - (ii) if he shall resign by writing under his hand left at the Office or if he shall tender his resignation and the Board shall resolve to accept the same;

- (iii) if he shall have a receiving order made against him or shall compound with his creditors generally;
- (iv) if he shall be absent from meetings of the Board for a continuous period of six months without special leave from the Board;
- (v) if an order is made by a court of competent jurisdiction by reason of mental disorder for his detention or for the appointment of any person to exercise powers in respect of his property or affairs;
- (vi) if he ceases to be a Director by virtue of the Act or is removed from office pursuant to these Articles.

(B) Any provisions of the Act which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as Director on account of his having reached the age of seventy or any other age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall not apply to the Company.

#### DIRECTORS: PROCEEDINGS OF MEETINGS

- 95. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes, and in the case of an equality of votes the Chairman shall have a second or casting vote. The Chairman or any two Directors may, and the Secretary on the requisition of the Chairman or any two Directors shall, at any time summon a meeting of the Board.
- 96. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors shall be as valid and effectual as if it has been passed at a meeting of the Directors duly convened and held and any such resolution may be contained in two or more documents in like form in each case signed by one or more Directors.
- 97. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, but shall not be less than two, and unless so fixed at any other number shall be two. For the purposes of determining whether the quorum for the transaction of the business of the Board exists:
  - (i) in the case of a resolution agreed by Directors in telephonic (or video or other audio) communication, all such Directors shall be counted in the quorum and shall be deemed to be present and may vote thereat;
  - (ii) in the case of a meeting of Directors, in addition to the Directors present at the meeting, any Director in telephonic (or video or other audio) communication with such meeting shall be counted in the quorum and shall be deemed to be present and may vote thereat.

98. A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes.
99. Save as provided by the next following Article a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest. Save as aforesaid, a Director shall not be counted in the quorum in relation to any resolution on which he is debarred from voting. 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.
100. (A) A Director shall (in the absence of some material interest other than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely:-
- (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
  - (iv) any proposal concerning an offer of shares or debentures or other securities of or in the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - (v) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such holding or interest being deemed to be a material interest in all circumstances);
  - (vi) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;

(vii) (without prejudice to (vi) above) any arrangement for the benefit of employees of the Company or any of its subsidiaries under which he will benefit in a similar manner to such employees.

(B) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments within the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to sub-paragraph (A) (v) of this Article 100 or by some other material interest) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(C) If any questions shall arise 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, such question shall be referred to the chairman of the meeting and 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 has not been fairly disclosed.

101. The Board may elect a Chairman and Deputy Chairman of the Board. Any Chairman or Deputy Chairman so elected without any fixed period of office shall if he be re-elected a Director following retirement at any annual general meeting continue as Chairman or, as the case may be, Deputy Chairman of the Board unless the Board otherwise determines.
102. The Chairman shall preside at all meetings of the Board, but if at any time there is no Chairman or if at any meeting the Chairman be not present within five minutes from the time appointed for holding the meeting, the Deputy Chairman shall preside at such meeting and, if there is no Deputy Chairman or if he not then be present, then the Directors present shall choose one of their number to be Chairman of the meeting.

#### GENERAL POWERS OF DIRECTORS

103. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting; but no regulation so made by the Company shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
104. The Board may from time to time appoint one or more of its members to the office of Managing Director or Executive Director on such terms as to remuneration, pension and otherwise and with such of the powers exercisable by the Board as it may think fit and for such period (other than for life and subject as provided by the Statutes) as the Board may

determine and, subject to the terms of the contract entered into in any particular case, may at any time revoke any such appointment. A Director so appointed shall, subject to the terms of any agreement between him and the Company and save as specifically provided in these Articles, be subject to the same provisions as to resignation or removal as the other Directors and, without prejudice to any claim for damages or compensation to which he may be entitled, his appointment shall be automatically determined if he ceases from any cause to be a Director of the Company. The emoluments of any Managing Director or Executive Director for his services as such shall be determined by the Board, and may be of any description.

105. The Board may entrust to and confer upon any Director any of the powers exercisable by it as such upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.
106. The Board may establish any divisional, departmental, regional or local boards, managing committees or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons (whether being Directors or not) to be members of such boards or committees and may appoint any such persons as aforesaid to be regional directors, local directors, managers or agents, and may fix the remuneration of any persons so appointed, and may delegate to any such board, managing committee, regional director, local director, manager or agent any of the powers, authorities and discretions vested in the Board, with the power to sub-delegate, and may authorise the members of any such board or managing committee, or any of them, to fill any vacancies therein, and act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
107. The Board may delegate all or any of its powers to any committee or committees as it may think fit including (but without limitation) the power to sub-delegate. Any such committee may consist of one or more members of the Board, and the Board shall also be entitled to appoint such other person or persons as it considers expedient to a committee but so that the majority at least of the members of any such committee shall consist of Directors. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Board. The Board may at any time dissolve or revoke any delegation made to any committee established under this Article. No resolutions of a meeting of any such committee present shall be effective unless the majority of the members of such committee present at the meeting at the time at which such resolution is adopted are Directors.
108. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the powers, authorities or discretions by or under these Articles vested in or exercisable by the Directors generally.

109. The meetings and proceedings of any such committee of the Board consisting of two or more Directors shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by any regulations made by the Board under Article 107 save that the quorum for such meetings shall (unless the Board shall otherwise determine) be two and the chairman of the meeting shall not have a second or casting vote at any meeting where only two members of such committee are present or at which only two members of such committee are competent to vote on the issue in question.
110. All acts done by any meeting of the Board, or of a committee of the Board, or by any person acting as a Director or a member of such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or *continuance* in office of any member of the Board or such committee or person acting as aforesaid or that any such member or person was disqualified or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or a member of such committee and had been entitled to vote.
111. The Board may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such periods and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

#### DIRECTORS: MISCELLANEOUS

112. Subject to and to the extent permitted by the Statutes, the Board may cause to be kept in any territory outside the United Kingdom a branch register of Members resident in such territory, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register.
113. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person or persons as may be appointed for the purpose by or on behalf of the Board.
114. Except to the extent permitted by the Statutes, no part of the funds of the Company shall be employed in the subscription for or purchase of or in loans upon the security of shares in the Company or in any company which is its holding company nor, except as aforesaid, shall the Company directly or indirectly give any financial assistance for the purpose of or in connection with a subscription for or purchase of such shares or make any loan or quasi-loan to any of the Directors or to any director of any company which is its holding company or enter into any guarantee or provide any security in connection with a loan or quasi-loan made to any such person by any other person.

## BORROWING

115. (A) The Board may (subject as hereinafter mentioned) exercise all the powers of the Company to borrow money, and to mortgage, burden or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to these Articles and the Statutes, to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company, its subsidiaries or of any third party.

(B) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards any subsidiary so far as by such exercise it can secure) that the aggregate principal amount for the time being remaining undischarged of all moneys borrowed by the Group (exclusive of moneys borrowed by a member of the Group from and for the time being owing to another member of the Group) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to three times the aggregate of the Adjusted Capital and Reserves of the Group. For these purposes, the Adjusted Capital and Reserves of the Group shall be:

- (i) the nominal share capital of the Company for the time being issued and paid; and
- (ii) the amounts standing to the credit of the consolidated capital and revenue reserves (including share premium account, capital redemption reserve and profit and loss account) of the Group;

all as shown in a consolidation of the then latest audited balance sheets of the Group but after:-

- (a) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital, the share premium account and the capital redemption reserve of the Company since the date of its latest audited balance sheet and so that if any proposed issue of shares by the Company for cash shall be underwritten then such shares shall be deemed to be issued and the amount (including any premium) of the subscription moneys payable in respect thereof, not being moneys payable later than four months after the date of allotment, shall be deemed to have been paid up at the date when such shares became unconditionally underwritten, but only to the extent of the underwriters' liability to the Company in respect of such subscription moneys;
- (b) deducting any debit balance on profit and loss account and any amount attributable to goodwill;
- (c) deducting (i) any sums set aside for future taxation and (ii) amounts attributable to outside shareholders in subsidiaries; and
- (d) deducting an amount equal to any distribution by the Company out of profits earned prior to the date of its latest audited balance sheet and which has been declared, recommended or made since that date except in so far as provided for in such balance sheet.

(C) A report by the Auditors for the time being of the Company as to the aggregate amount which may at any one time in accordance with the provisions of paragraph (B) of this Article be owing by the Group without any sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company.

(D) As used herein:-

(i) The expression "Group" means the Company and its subsidiaries (if any), and "member of the Group" shall be construed accordingly, and references to the consolidated reserves and balance sheet of the Group are, if the Company has no subsidiaries, references to the reserves and balance sheet of the Company;

(ii) The expression "moneys borrowed" shall be deemed to include the following except in so far as otherwise taken into account or excluded under paragraph (iii) below:-

(a) the principal amount for the time being outstanding in respect of any loan capital or debenture of the Company or any subsidiary notwithstanding that the same may be issued in whole or in part for a consideration other than cash;

(b) the outstanding amount of acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of the Company or any subsidiary, other than acceptances relating to the sale of goods in the ordinary course of business;

(c) any fixed or minimum premium payable on final redemption or repayment of any moneys borrowed;

(d) any share capital or borrowed moneys the repayment of which is guaranteed or secured by the Company or any subsidiary and which is not beneficially owned by the Company or any subsidiary.

(iii) The expression "moneys borrowed" shall be deemed not to include any of the following:

(a) such proportion of the amounts borrowed by any partly owned subsidiary as the issued ordinary share capital of such subsidiary which is not for the time being owned directly or indirectly by the Company bears to the whole of the issued ordinary share capital of that subsidiary;

(b) amounts borrowed for the purpose of repaying within three months of first being borrowed other moneys borrowed by the Company or any subsidiary pending their application for that purpose within such period;

(c) amounts borrowed by any subsidiary prior to and outstanding at the date on which it becomes a subsidiary for a period of twenty-four months from such date.

(E) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the foregoing limit under this Article 115 is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that such limit had been or would thereby be exceeded.

#### ALTERNATE DIRECTORS

116. (A) Each Director shall have power to nominate any person, approved for that purpose by a majority of the other Directors, to act or attend as alternate Director in his place during his absence or inability to act as a Director and at his discretion to remove such alternate Director by notice in writing to the Company; and, on such appointment being made, the alternate Director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and each alternate Director, while acting in the place of a Director who is absent or unable to act as a Director, shall enjoy all the rights of and exercise and discharge all the duties of the Director he represents.

(B) If the Director making any such appointment as aforesaid shall cease to be a Director otherwise than by retiring at and being re-elected at one and the same meeting, the person appointed by him shall thereupon cease to have any power or authority to act as an alternate Director.

(C) One person may act as alternate Director for more than one Director and while he is so acting shall be entitled to a separate vote for each Director he is representing and, if he is himself a Director, his vote or votes as an alternate Director shall be in addition to his own vote.

(D) An alternate Director shall not be taken into account in reckoning the minimum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

#### SECRETARY

117. The Secretary shall be appointed by the Board on such terms and for such period as it may think fit. Any Secretary so appointed may at any time be removed from office by the Board, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. The Board may from time to time appoint any person or persons to the office of Deputy or Assistant Secretary, and the foregoing provisions of this Article shall mutatis mutandis apply in relation to each such office.

#### THE SEAL

118. The Seal shall (except in respect of certificates for shares of the Company) only be used by the authority of the Board, or a committee of the Board authorised in that behalf. Every instrument to which the Seal is affixed shall (subject as hereinafter provided) be signed by a Director and shall be countersigned either by the Secretary or by a second Director or by some other person appointed by the Board for the purpose. Provided nevertheless that in the case of certificates for shares of the Company the Board may by resolution determine, whether generally or in a particular case, either that the Seal shall be affixed thereto without any signature and countersignature as aforesaid or that the signature and countersignature may be mechanically applied in pursuance of such method or system as the Board may approve but so that the affixing of the Seal pursuant to the foregoing provisions of this proviso shall be controlled by the Auditors, transfer agents or bankers of the Company.
119. The Company may exercise all the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Board.

#### AUTHENTICATION OF DOCUMENTS

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

#### DESTRUCTION OF DOCUMENTS

121. (A) The Company shall be entitled to destroy all instruments of transfer of shares and all other documents on the faith of which entries are made in the Register at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof and it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and

properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided that:-

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document is or might be relevant;
  - (ii) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of sub-paragraph (i) of this proviso are not fulfilled.
- (B) For the purposes of this Article:-
- (i) references to the destruction of any document include references to the disposal thereof in any manner;
  - (ii) references to an instrument of transfer shall be deemed to include references to any document constituting the renunciation of an allotment of any shares in the Company by the allottee in favour of some other person.

#### DIVIDENDS

122. The Company in general meeting may declare dividends and may fix the time of payment thereof. No dividend shall be payable otherwise than in accordance with the Statutes or shall exceed the amount recommended by the Board but the Company may in general meeting declare a smaller dividend.
123. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide all dividends shall (as regards any share not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.
124. Notwithstanding Article 122 the Board may from time to time so long as profit is available for distribution, declare and pay to Members such interim dividends as appear to the Board to be justified by the position of the Company.
125. Where any dividend is declared by ordinary resolution of the Company pursuant to Article 122, or is determined to be paid by resolution of the Board passed in accordance with Article 124, the ordinary resolution or (as the case may be) the resolution of the Board may provide that such dividend shall be payable to the Members (or to any class of Members) registered as such on or as at any such date as the resolution may specify, and (without prejudice to the generality of the foregoing)

any date so specified may be before on or after that upon which the resolution is passed, and may be before the date upon which such dividend is to be actually paid. If no date is so specified in such resolution, the dividend concerned shall be payable to the Members (or to any class of Members) registered as such on the date on which such resolution is adopted.

126. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
127. The Board may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares in the Company.
128. The Board may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
129. The payment by the Board of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the company a trustee in respect thereof. Any dividend remaining unclaimed after a period of twelve years from the date of the passing of the ordinary resolution of the Company declaring such dividend pursuant to Article 122 or (as the case may be) from the date of the passing of the resolution of the Board determining upon the payment of such dividend in accordance with Article 124, and any moneys payable on or in respect of a fractional interest in a share remaining unclaimed after a period of twelve years from the date upon which the same first became payable, shall be forfeited and shall revert to the Company.
130. The Company may, upon the recommendation of the Board, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) to the Member or person entitled thereto and the Board shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any such Member or person upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board.
131. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to any one of such persons) or to such person and at such address as such Member or person or persons may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in

consequence of the death or bankruptcy of the holder or otherwise by operation of law may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person or persons entitled to the money represented thereby.

132. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give effective receipts for any dividend or other moneys payable or property distributable on or in respect of the share.
133. The Board may pay the dividends or other moneys payable on or in respect of a share to which any person is entitled by transmission to that person upon production of such certificate and evidence as would be required if such person desired to be registered as a Member in respect of such share.

#### RESERVES

134. The Board may before recommending any dividend from time to time set aside out of the profits of the Company and carry to reserve such sums as it thinks proper which, at the discretion of the Board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as it thinks fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits.

#### CAPITALISATION OF PROFITS AND RESERVES

135. The Company in general meeting may of any time direct capitalisation of the whole or any part of the revenue profits for the time being of the Company, or the whole or any part of any reserve fund of the Company:
  - (i) by distributing fully paid up shares among the Members in proportion to the amounts paid or credited as paid on their shares; or (ii) by crediting any shares which may have been issued and are not fully paid up, in proportion to the amounts paid up or credited as paid thereon, with the whole or any part of the sums remaining unpaid thereon. The Board shall give effect to such resolution and apply such portion of the profits or reserve fund as may be required for the purpose of making payment in full at par for the shares of the Company so distributed, or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Board, and provided also that a share premium account and a capital redemption reserve may for the purposes of this Article only be applied in the paying up of unissued shares to be allotted to Members as fully paid shares.

136. Whenever such a resolution mentioned in the preceding Article shall have been passed, the Board shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provisions as it thinks fit for the case of shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned), and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any shares to be issued upon such capitalisation or for the payment up by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares and for matters incidental thereto, and any agreement made under such authority shall be effective and binding on all concerned.

#### MINUTES AND BOOKS

137. The Board shall cause minutes to be made in books to be provided for the purpose:-

- (i) of all appointments of officers made by the Board;
- (ii) of the names of the Directors present at each meeting of the Board;
- (iii) of all resolutions and proceedings at all meetings of the Company and the Board and of committees of the Company and committees of the Board of the Company and of any class of Members.

Any such minutes, if purporting to be signed by the Chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts stated therein.

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

#### ACCOUNTS

139. The books of account shall be kept at the Office, or (subject to the provisions of the Statutes) at such other place or places as the Board may think fit, and shall always be open to the inspection of the Board. 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 statute or authorised by the Board.

140. The Board shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before general meetings of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary and such accounts and balance sheets shall be signed in accordance with the Statutes.
- 141 A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not entitled to receive notices of meetings or of whose address the Company is not aware, but any Member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever and as required by any applicable rule or regulation, there shall be forwarded to the appropriate officer of any stock exchange copies of documents.

#### AUDITORS

142. The Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.

#### NOTICES

143. (A) Any notice or document may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. Where a notice or other document is served or sent by post service or delivery shall be deemed to be effected at the expiration of twenty-four hours after the time when the cover containing the same is posted (irrespective of the class or type of post used) and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed and posted.
- (B) If on three consecutive occasions notices or other documents or communications, including any dividend and any balance sheet and profit and loss account, have been sent through the post to any Member at his registered address or his address for the service of notices but have been returned undelivered, such Member shall not thereafter be entitled to receive notices or other such documents or communications from the Company until he shall have communicated with the Company and supplied in writing to the Company at the Transfer Office a new registered address or an address within the United Kingdom for the service of notices.

144. A Member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.
145. In respect of joint holdings all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.
146. A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served on or delivered to him at such address any notice or document to which the Member but for his death or bankruptcy or the other event in question would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on or to all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company shall have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

#### WINDING UP

147. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court):
- (A) the liquidator may, with the authority of any 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;
- (B) the liquidator may, with the like authority, vest the whole or 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.
- In a members' voluntary liquidation of the Company any commission or fee payable to a liquidator shall be fixed by the Company in general meeting. The amount of such proposed payment shall be notified to the Members not less than seven days prior to the meeting at which it is to be considered.

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INDEMNITY

148. Subject to the provisions of and so far as may be permitted by the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

Number of Shares  
taken by each  
Subscriber

Thomas Daniel Cassidy  
Plastic Manufacturer of  
28 Shetland Road  
Blackpool  
in the county of Lancaster

Fifty

Joseph Gregory Cassidy  
Plastic Manufacturer of  
9 Ord Avenue  
Marton, Blackpool  
in the county of Lancaster

Fifty

TOTAL SHARES TAKEN

100

Dated this 19th day of April 1956

Witness to the above Signatures:-

John Scotson Darwell of  
14 Edward Street  
Blackpool  
Chartered Accountant