

298463



**MEMORANDUM AND ARTICLES
OF ASSOCIATION**

of

MAXWELL
COMMUNICATION CORPORATION plc

12 September 1990

Regd. No. 298463

No. 294463.



**CERTIFICATE OF
INCORPORATION
ON CHANGE OF NAME**

I Hereby Certify that THE BRITISH PRINTING & COMMUNICATION CORPORATION plc having by special resolution changed its name, is now incorporated under the name of MAXWELL COMMUNICATION CORPORATION plc

Given under my hand at the Companies Registration Office,
Cardiff the 22nd October 1987.

G. JAMES,

an authorised officer



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

I Hereby Certify that BPC LIMITED having by special resolution and with the approval of the Secretary of State changed its name and having this day been re-registered under the Companies Acts 1948 to 1980 as a public limited company is now incorporated under the name of THE BRITISH PRINTING & COMMUNICATION CORPORATION plc

Given under my hand at Cardiff the 1st March 1982.

D. B. NOTTAGE,

Registrar of Companies



**CERTIFICATE OF
INCORPORATION
ON CHANGE OF NAME**

I Hereby Certify that THE BRITISH PRINTING CORPORATION LIMITED
having by special resolution and with the approval of the Secretary
of State changed its name, is now incorporated under the name of
BPC LIMITED

Given under my hand at Cardiff the 1st September 1979.

E. A. WILSON,

Assistant Registrar of Companies



CERTIFICATE OF
INCORPORATION
ON CHANGE OF NAME

Whereas PURNELL AND SONS LIMITED was incorporated as a limited company under the COMPANIES ACT, 1929, on the Eighteenth day of March, 1935

And Whereas by Special Resolution of the Company and with the approval of the Board of Trade it has changed its name

Now Therefore I hereby certify that the Company is a limited company incorporated under the name of THE BRITISH PRINTING CORPORATION LIMITED

Given under my hand at London, this Nineteenth day of February One thousand nine hundred and sixty four.

W. B. LANGFORD,

Registrar of Companies



Certificate of Incorporation

I **Hereby Certify** that PURNELL AND SONS LIMITED is this day Incorporated under the Companies Act, 1929, and that the Company is LIMITED.

Given under my hand at London this eighteenth day of March One thousand nine hundred and thirty-five.

F. GREENWOOD,

Registrar of Companies

(i)

THE COMPANIES ACT 1929
THE COMPANIES ACTS, 1948 TO 1985

COMPANY LIMITED BY SHARES

**Memorandum of Association
OF
MAXWELL COMMUNICATION
CORPORATION plc**

1. The name of the Company is "Maxwell Communication Corporation plc"**†§.	Name.
2. The Company is to be a public company.	Public company.
3. The registered office of the Company will be situate in England.	Registered office.
4. The objects for which the Company is established are:—	Objects.
(i) To carry on business as a holding company and to acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stocks, debentures, debenture stocks, bonds, obligations, and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, local authority or other public body, whether at home or abroad, and to vary, transpose, dispose of or otherwise deal with from time to time as may be considered expedient any of the Company's investments for the time being.	
(ii) To co-ordinate the administration, policies, management, supervision, control, research, planning, manufacture, trading and any and all other activities of and to act as financial advisers and consultants to any company or companies or group of companies now or hereafter formed or incorporated or acquired which may be or may become related or associated in any way with the Company or with any company related or associated therewith.	

* The Company was originally registered as Purnell and Sons Limited. The name was changed to "The British Printing Corporation Limited" with effect from 19th February, 1964 pursuant to a Special Resolution passed on 6th February, 1964.

†The name of the Company was changed from "The British Printing Corporation Limited" to "BPC Limited" with effect from 1st September, 1979 pursuant to a Special Resolution passed on 22nd May, 1979.

‡The name of the Company was changed from "BPC Limited" to "The British Printing & Communication Corporation plc" with effect from 1st March, 1982 pursuant to a Special Resolution passed on 28th January, 1982.

§Pursuant to a Special Resolution passed on 22nd October, 1987, and with effect from the same date, the name of the Company was changed from "The British Printing & Communication Corporation plc".

(ii)

- (iii) To acquire any such shares, stocks and others before mentioned by subscription, syndicate participation, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
- (iv) To carry on all or any of the businesses of printers in all its branches, compositors, metal and alloy makers and refiners, die-sinkers, relief stampers, gold blockers, engravers, photographers, artists, designers and draughtsmen, bookbinders, ink manufacturers, stationers, booksellers, newsagents, publishers, newspaper, magazine, periodical and journal proprietors, law agents, advertising and publicity agents and contractors, press agents, press cutting agents, bill posters, advertising consultants, display specialists and contractors.
- (v) To carry on all or any of the businesses of manufacturers and converters of and dealers in paper, pulp, parchment, board, card, plastics and packaging of all kinds and materials, goods and articles made therefrom or of a character similar or analogous thereto or connected therewith.
- (vi) To carry on business in all branches of the communications, computer, radio, television, video, cinematograph, telephone, telegraph, electronic and electrical industries, present and future, and to investigate, develop, experiment with, carry out research in relation to, improve, produce, manufacture, market, sell, distribute, deal in, operate and exploit every means, present and future, for the storage and transmission of information, including (without limiting the generality of the foregoing) any or all forms, present and future, of communication, publishing and broadcasting, and to participate in such manner as the Company shall deem appropriate in the development and use for commercial purposes of the same.
- (vii) To carry on all or any of the businesses of engineers, chemists, wood, metal and plastic workers, furniture, cabinet and box manufacturers, designers, contractors and manufacturers of machinery, plant or equipment of all types for making or using any of the above-mentioned materials, goods and articles.
- (viii) To acquire, carry on or exploit any other business (whether manufacturing or otherwise) or any investment or interest direct or indirect in any such business which may seem to the Company capable of being conveniently

(iii)

carried on in connection with the above business or by way of extension thereof or which it may be advisable to undertake with a view to developing, rendering valuable, prospecting or turning to account, any property, real or personal, belonging to the Company, or in which the Company may be interested; to manufacture and deal in all kinds of articles and things required for the purposes of any such business as aforesaid or commonly dealt in by persons engaged in any such business; and to buy, sell, let or otherwise dispose of, use or deal in anything authorised to be produced or manufactured by the Company or of a similar character, and any articles generally used or capable of being used in any such production or manufacture, or any materials or provisions required by persons employed by the Company.

- (ix) To carry on any business or branch of a business which the Company is authorised to carry on by means, or through the agency, of any company which is a subsidiary of the Company, and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time, and either temporarily or permanently, to close any such branch or business.
- (x) To acquire on any terms, and subject to any conditions, the whole or any part of the business, property or liabilities of any person, firm or organisation or the whole or any part of the issued share or loan capital, business, property or liabilities of any company, carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company, and to pay for any such acquisition either in cash or shares, with or without any preferred or deferred rights, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (xi) To purchase, take on lease or in exchange, or otherwise acquire land, and to develop and turn to account the same in any manner, and in particular by laying out and preparing the same for building purposes, building thereon, planting, paving, draining, sewerage, farming, and cultivating the same, letting on building, farming or occupation lease or agreement, and by advancing money to or entering into contracts and arrangements of all kinds with builders, tenants and others.
- (xii) To make, build, maintain, alter, use, manage and work in

any parts of the world, offices, factories, mills, roads, railways, tramways, telegraph lines, telephones, electric light and power works, canals, reservoirs, waterworks, wells, aqueducts, watercourses, furnaces, gasworks, piers, wharves, docks, quarries, mines, saw and other mills, warehouses, steam and other ships, and other works and things which may be deemed expedient for the purposes of the Company and to pay or contribute to the payment of the cost of making, building, maintaining, using and working the same.

- (xiii) To apply for, purchase or by other means acquire and protect, prolong and renew, any patents, patent rights, brevets d'invention, licences, trade marks, protections and concessions or other rights which may appear likely to be advantageous or useful to the Company.
- (xiv) To sell, let, lease, grant licences, easements and other rights over and in any other manner dispose of or deal with the whole or any part of the undertaking, property, assets, rights, effects and businesses of the Company for such consideration as may be thought fit and in particular for a rent or rents or stocks, shares, debentures, debenture stock or other obligation of any other company.
- (xv) To amalgamate with or enter into partnership or any joint purse or profit-sharing arrangement with or to co-operate in any way with, or assist or subsidise, any person, firm, company or organisation carrying on, or proposing to carry on, any business within the objects of the Company.
- (xvi) To act as directors or managers of or to appoint directors or managers of any company which is a subsidiary of the Company, or of any other company in which the Company is or may be interested.
- (xvii) To pay for any rights or property acquired by the Company, and to remunerate any person or company whether by cash payment or by the allotment of shares, debentures, or other securities of the Company credited as paid up in full or in part or otherwise.
- (xviii) To promote or concur in the promotion of any company, whether British or foreign, the promotion of which shall be considered desirable.
- (xix) To give all descriptions of guarantees and indemnities.
- (xx) To invest and deal with the moneys of the Company not immediately required in any manner.
- (xxi) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture

(v)

stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

- (xxii) To make, draw, accept, endorse, discount, negotiate, execute and issue and to buy, sell and deal in promissory notes, bills of exchange, cheques, bills of lading, shipping documents, dock and warehouse warrants, and other instruments negotiable or transferable or otherwise.
- (xxiii) To lend money with or without security and to subsidise, assist and guarantee the payment of money by or the performance of any contract, engagement or obligation by any persons, companies or organisations.
- (xxiv) To grant donations, gratuities, pensions, allowances, benefits or emoluments to any past or present Directors of the Company or any persons who are or shall have been at any time in the employment or service of the Company or of any company which is or was a subsidiary of or associated with the Company or of the predecessors in business of the Company or of any such subsidiary or associated company or the wives, widows, families or dependants of any such persons; and to establish, subsidise, subscribe to or support institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise advance the interests and well-being of the Company or of any such other company as aforesaid or of its members; and to make payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object; and to establish and contribute to any scheme for the purchase by trustees of shares of the Company to be held for the benefit of the Company's employees (including Directors holding a salaried employment or office in the Company) or to lend money to the Company's employees (other than Directors) to enable them to purchase or subscribe for fully paid shares of the Company or its holding company to be held by themselves by way of beneficial ownership.
- (xxv) To pay all preliminary expenses of the Company and any company promoted by the Company or any company in which this Company is or may contemplate being interested, including in such preliminary expenses all or

(vi)

any part of the costs and expenses of owners of any business or property acquired by the Company.

- (xxvi) To enter into any arrangement with any government or authority, imperial, supreme, municipal, local, or otherwise, or company that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority, or company any charters, contracts, decrees, rights, grants, loans, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with the same.
- (xxvii) To do anything by this Memorandum of Association authorised in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
- (xxviii) To procure the Company to be registered, incorporated or legally recognised in and to keep registers of shareholders in any part of the world.
- (xxix) To distribute among the members of the Company in specie any property of the Company.
- (xxx) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared (a) that the word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporate, and whether domiciled in the United Kingdom, or elsewhere and (b) that, except where the context expressly so requires, none of the several paragraphs of this Clause, or the objects therein specified or the powers thereby conferred shall be limited by, or be deemed merely subsidiary or auxiliary to, any other paragraph of this Clause, or the objects in such other paragraph specified or the powers thereby conferred.

Limited liability.

Capital.
See notes
below.

5. The liability of the Members is limited.

6. The Share Capital of the Company is £275,000, divided into 150,000 Preference Shares of £1 each and 500,000 Ordinary Shares of 5s. each, and there shall be attached thereto respectively the rights, privileges and conditions specified in the accompanying Articles of Association.*

Subject and without prejudice to any special rights or privileges for the time being attached to any special class of shares for the time being forming part of the capital of the Company, any of the shares in the original capital for the time being unissued, and any new shares from time to time to be created, may from time to time be issued with any such right of preference, whether in respect of

dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued or then about to be issued or with such deferred rights as compared with any other shares previously issued, or then about to be issued, and with any special or restricted rights or without any right of voting, and generally on such terms and subject to such conditions and provisions as may from time to time be determined in accordance with the Articles of Association for the time being in force.

***NOTES ON CAPITAL:—**

- (i) The capital was increased to £500,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 1,000,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 31st March, 1936.
- (ii) The capital was increased to £750,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 1,800,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 21st July, 1949.
- (iii) The capital was increased to £1,000,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 2,800,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 14th October, 1954.
- (iv) The capital was increased to £1,300,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 4,000,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 14th October, 1958.
- (v) The capital was increased to £2,500,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 8,800,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 28th September, 1959.
- (vi) The capital was increased to £5,000,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each and 18,800,000 Ordinary Shares of 5s. each by Ordinary Resolution passed 22nd December, 1961.
- (vii) The capital was increased to £6,500,000 divided into 150,000 Preference Shares of £1 each, 150,000 'A' Preference Shares of £1 each, 1,500,000 'B' Preference Shares of £1 each and 18,800,000 Ordinary Shares of 5s. each by Special Resolution passed 5th December, 1962.
- (viii) The capital was increased to £8,800,000 by the creation of 9,200,000 Ordinary Shares of 5s. each by Ordinary Resolution passed on 6th February, 1964.
- (ix) The capital was increased to £11,800,000 by the creation of 12,000,000 Ordinary Shares of 5s. each by Special Resolution passed on 18th December, 1967.
- (x) The capital of the Company was further increased to £13,800,000 by the creation of 2,000,000 7½ per cent. Cumulative Preference Shares of £1 each by Special Resolution passed on 18th December, 1967.
- (xi) Following the adoption of new Articles of Association on 15th May, 1974 the capital of £13,800,000 was re-organised into 150,000 4.2 per cent. Cumulative Preference Shares of £1 each, 150,000 4.2 per cent. 'A' Cumulative Preference Shares of £1 each, 1,500,000 4.2 per cent. 'B' Cumulative Preference Shares of £1 each, 2,000,000 5.25 per cent. Cumulative Preference Shares of £1 each and 40,000,000 Ordinary Shares of 25p each.
- (xii) The capital of the Company was increased to £16,300,000 by the creation of 10,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 4th October, 1978.
- (xiii) The Capital of the Company was by Special Resolution passed on 24th April, 1981, increased to £48,689,637 by the creation of:
 - (a) 160,000,000 "A" Ordinary Shares of 12.5p each (consolidated and converted on 27th April, 1981 into 80,000,000 Ordinary Shares of 25p each);
 - (b) 1,025,760 new 6.5 per cent. Non-cumulative Redeemable Preference Shares of £1 each;
 - (c) 4,540,107 new 7.5 per cent. Non-cumulative Redeemable Preference Shares of £1 each;
 - (d) 823,770 new 7.75 per cent. Non-cumulative Redeemable Preference Shares of £1 each;
 - (e) 6,000,000 new 10 per cent. Non-cumulative Redeemable Preference Shares of £1 each.
- (xiv) The capital of the Company was increased to £59,939,637 by the creation of 45,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 18th June, 1984.
- (xv) The capital of the Company was increased to £91,189,637 by the creation of 125,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 11th April, 1986.
- (xvi) The capital of the Company was increased to £128,689,637 by the creation of 150,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 25th September, 1986.
- (xvii) Following the redemption of 1,500,000 10 per cent. Non-Cumulative Redeemable Preference Shares of £1 each on 31st December, 1986, in accordance with Article 5(G) 2(1) the share capital resulting therefrom became 6,000,000 additional Ordinary Shares of 25p each.
- (xviii) The capital of the Company was increased to £203,689,637 by the creation of 300,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 2nd July, 1987.
- (xix) The capital of the Company was reduced to £189,000,000 by the cancellation of all the Preference Shares in issue by Special Resolution passed on 10th November, 1987.
- (xx) The capital of the Company was increased to £235,000,000 by the creation of 184,000,000 Ordinary Shares of 25p each by Ordinary Resolution passed on 12th September, 1990.

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.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS.	Number of Shares taken by each Subscriber.
PERCY F. HEDGES, " The Briars," Hockley, Essex. <i>Managing Clerk.</i>	One Preference.
ROBERT D. BERRY, " Fairview," Holders Hill, Hendon, N.W.4. <i>Articled Clerk.</i>	One Preference.
K. R. COLEMAN, 24, Esther Road, Leytonstone, E.11. <i>Clerk.</i>	One Preference.
P. G. WILSON, 62, Oakwood Road, Golders Green, N.W.11 <i>Clerk.</i>	One Preference.
G. H. JONES, 159, Woolstone Road, Forest Hill, S.E.23. <i>Clerk.</i>	One Preference.
FRANK E. GREEN, 19, Cambridge Road, Seven Kings, Essex. <i>Managing Clerk.</i>	One Preference.
W. BALMENT, 10, Shirley Way, Shirley, Near Croydon. <i>Managing Clerk.</i>	One Preference.

Dated this 13th day of March, 1935.

Witness to the above Signatures—

F. STAFFORD CLARK,
3, Laurence Pountney Hill,
London, E.C.4.
Solicitor.

No. 298463

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Special Resolution

OF

**MAXWELL COMMUNICATION
CORPORATION plc**

(Passed 10th November 1987)

At an EXTRAORDINARY GENERAL MEETING of the above named Company held on 10th November 1987 the following resolution was duly passed as a Special Resolution:-

SPECIAL RESOLUTION

THAT:

the capital redemption reserve of the Company be cancelled.

Silkin of Dulwich
Chairman of the Meeting

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Resolutions

OF

**MAXWELL COMMUNICATION
CORPORATION plc**

(Passed 21st June 1988)

At an Extraordinary General Meeting of the Company held on 21st June, 1988 the following Resolutions were passed:-

SPECIAL RESOLUTION

THAT:

the amount standing to the credit of the Share Premium Account as at the date of this Meeting be and is hereby cancelled.

ORDINARY RESOLUTION

THAT:

the Directors be and are hereby generally and unconditionally authorised, pursuant to Section 166 of the Companies Act 1985, to make market purchases (as defined in Section 163 of the said Act) of Ordinary Shares of 25p in the capital of the Company provided that:

- (i) the maximum number of Ordinary Shares authorised to be acquired shall be 91,000,000 shares;
- (ii) the maximum price which may be paid for the Ordinary Shares shall be, in respect of a share contracted to be purchased on any day, an amount equal to 105 per cent. of the average of the middle market quotations (as derived from The Stock Exchange Daily Official List) for the Ordinary Shares of the Company on the ten business days immediately preceding the day on which that share is to be purchased, which amount shall be exclusive of expenses;
- (iii) the minimum price which may be paid for the Ordinary Shares shall be 25p per Ordinary Share, which amount shall be exclusive of expenses; and

(iv) this authority shall expire at the conclusion of the next Annual General Meeting, provided that the Company may before such expiry make a contract of purchase which would or might be executed wholly or partly after such expiry, and the Board may make a purchase of its Ordinary Shares in pursuance of such contract as if the authority conferred hereby had not expired.

Robert Maxwell
Chairman

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Resolutions

OF

**MAXWELL COMMUNICATION
CORPORATION plc**

(Passed 21st June 1988)

At the Annual General Meeting of the Company held on 21st June, 1988 Resolution number 1 below was passed as an Ordinary Resolution and Resolution number 2 was passed as a Special Resolution:-

ORDINARY RESOLUTION

1. THAT:

the Board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80(2) of the Companies Act 1985 and so that references to the allotment of relevant securities shall be construed in accordance with the said Section 80) up to an aggregate nominal amount of £24,857,273, such authority to expire not later than 20th June 1993, provided that:

- (a) the Company may, before such expiry, make an offer or agreement which would, or might, require relevant securities to be allotted after such expiry, and the Board may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired; and
- (b) the authority conferred upon the Board hereby replaces the authority conferred upon the Board pursuant to Resolution (1) (B) passed at the Extraordinary General Meeting of the Company held on 2nd July 1987.

SPECIAL RESOLUTION

2. THAT:

subject to the passing of the previous resolution, the Board be and it is hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act and so that

references to the allotment of equity securities shall be construed in accordance with the said Section 94) for cash, pursuant to the authority conferred by the previous resolution, as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with a rights issue in favour of Ordinary Shareholders where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them (subject to such exclusions or arrangements as the Board may deem necessary or desirable to deal with fractional entitlements or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange); and
- (b) the allotment (otherwise than pursuant to subparagraph (a) above) of equity securities up to an aggregate nominal value of £7,605,000 (5% of the issued ordinary share capital at 31st December 1987);

and shall expire on the date of the next Annual General Meeting of the Company held after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Robert Maxwell
Chairman

No. 298463

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Special Resolution

OF

**MAXWELL COMMUNICATION
CORPORATION plc**

(Passed 14th September 1989)

At the ANNUAL GENERAL MEETING of the Company held on 14th September 1989 the following resolution was passed as a Special Resolution:-

SPECIAL RESOLUTION

THAT:

the Articles of Association be altered by deleting the words "£2,000 million" in Article 85(2) and substituting therefor the words "£2,800 million".

Robert Maxwell
Chairman

THE COMPANIES ACTS 1985 & 1989

COMPANY LIMITED BY SHARES

Special Resolution

OF

**MAXWELL COMMUNICATION
CORPORATION plc**

(Passed 12th September 1990)

At the ANNUAL GENERAL MEETING of the Company held on 12th September 1990 the following resolutions were passed, numbers 1, 3 and 4 being passed as Special Resolutions and number 2 as an Ordinary Resolution:-

SPECIAL RESOLUTION

1. THAT:

the Articles of Association be and are hereby amended as follows:

- (a) In Article 2 in the definition of "the seal" before the words "common seal" delete "the" and insert "any";
- (b) in the first sentence of Article 11 between the words "exchange nominee" and "in respect of" insert the words "or other person", and in the second sentence after the words "sealed with the seal" insert the words "or if the Directors so resolve issued in such other manner as may be permitted by law";
- (c) insert as a new Article 12 the following:

"The Board may by resolution determine either generally or in any particular case that any certificates for shares or debentures or representing any other form of security may have signatures affixed to them by some mechanical means or that such certificates need not bear any signature.";
- (d) in paragraph (a) of Article 32 before the word "certificate" delete the word "the" and insert the word "any";
- (e) in paragraph (1) of Article 40 after the words "issued under seal" but before the comma insert the words "or in such other manner as may be permitted by law";

- (f) in paragraph (1) of Article 67 after the first word "If" delete the words "at any time" and insert in their place the words "not earlier than twenty-eight days from the date of service (or where such member or other person is interested in at least 0.25 per cent. of the issued shares of that class fourteen days)", and delete the words "within twenty-eight days";
- (g) in paragraph (3) of Article 67:
- (i) delete the words "From seven days after the service of a Default Notice" and insert in their place the words "The Default Notice shall direct that from the date of the Default Notice (notwithstanding that the member or other person has not received a copy of the same and notwithstanding any other provisions of these Articles relating to the giving of notice)";
 - (ii) after the words "Default Notice or" insert the words "until the Board is satisfied" and delete the words "serve a further notice on the member concerned stating";
 - (iii) after the words "default has been remedied" and before the comma following those words insert "(the "Prescribed Period")";
 - (iv) before the words "The Board shall serve" insert the following:

"Where the Default Notice was given in respect of at least 0.25 per cent. of the issued shares of that class, it may also direct that during the Prescribed Period that member shall not be entitled to:

 - (a) receive payment of any dividend or other cash distribution payable in respect of such shares; or
 - (b) transfer any such shares unless the transfer is an approved transfer as defined in this Article.
- (4) A transfer of shares is an approved transfer if but only if:
- (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer for a company (as defined in Section 14 of the Company Securities (Insider Dealing) Act 1985); or
 - (b) the Board are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in such shares; or
 - (c) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other stock

exchange outside the United Kingdom on which the Company's shares are normally traded."

- (v) include the sentence beginning "The Board shall serve" as a new paragraph (5), delete the word "such" and insert after the words "further notice" the words "stating that the default has been remedied";
- (vi) in paragraph (4) of Article 67 delete the words "service of any further notice under paragraphs (2) or (3) of this Article" and insert the words "upon the Board being satisfied that the default had been remedied.:";
- (vii) delete paragraph (6) of Article 67;
- (h) In Article 114 at the end of paragraph (e) delete the full stop and insert a semi-colon and insert as a new paragraph (f) the following:

"the resolution relates to any proposal concerning the purchase and/or maintenance of any insurance policy against liability for negligence, default, breach of duty or breach of trust in relation to the Company under which he may benefit.:";
- (i) delete Article 128;
- (j) insert as new Article 128 the following:

"A document shall only be signed by a director and by the Secretary or by two directors and be expressed (in whichever form of words) to be executed by the Company with the authority of a resolution of the Board or a committee of the Board.:";
- (k) at the end of Article 143 insert the following:

"The requirements of this Article in relation to the documents to be sent to members of the Company shall be deemed satisfied by the sending to each member of a summary financial statement in the form and as permitted by the Act."; and
- (l) re-number the Articles of Association, and any references to such numbers therein, as may be required as a result of this resolution.

ORDINARY RESOLUTION

2. THAT:

the Board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80(2) of the Companies Act 1985 and so that references to the allotment of relevant securities shall be considered in accordance with the said Section 80) up to an aggregate nominal amount of £70,222,539, such authority to expire not later than 11th September 1995, provided that:

- (a) the Company may, before such expiry, make an offer or agreement which would, or might, require relevant securities to be allotted after such expiry, and the Board may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired; and
- (b) the authority conferred upon the Board hereby replaces the authority conferred upon the Board pursuant to Resolution 7 passed at the Annual General Meeting of the Company held on 14th September 1989.

SPECIAL RESOLUTION

3. THAT:

subject to the passing of the previous resolution, the Board be and it is hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act and so that references to the allotment of equity securities shall be construed in accordance with the said Section 94) for cash, pursuant to the authority conferred by the previous resolution, as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with a rights issue in favour of Ordinary Shareholders where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them (subject to such exclusions or arrangements as the Board may deem necessary or desirable to deal with fractional entitlements or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange); and
- (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £8,074,135 (5% of the issued ordinary share capital at 31st March 1990);

and shall expire on the date of the next Annual General Meeting of the Company held after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

SPECIAL RESOLUTION

4. THAT:

the Board be and it is hereby generally and unconditionally authorised, pursuant to Section 166 of the Companies Act

meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty days or more or for an indefinite period or if a meeting is adjourned for want of a quorum, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

56. A resolution put to the vote of a general meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll, a poll is duly demanded. Subject to the provisions of the Companies Acts, a poll may be demanded by

- (a) the chairman of the meeting; or
- (b) at least five members present in person or by proxy having the right to vote at the meeting; or
- (c) any member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) any member or members present in person or by proxy holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

57. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

58. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

59. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES**New
Articles of Association**

OF

**MAXWELL COMMUNICATION
CORPORATION plc****(Adopted by Special Resolution passed on 21st June 1988)
(as amended by Special Resolutions passed on 14th
September 1989 and 12th September 1990)****TABLE A**

1. No regulations set out in any schedule to any statute or in any regulations concerning companies shall apply as articles of association of the Company.

INTERPRETATION

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

“the Act”	means the Companies Act 1985 including any modification or re-enactment thereof for the time being in force;
“the Articles”	means the Articles of Association of the Company as from time to time altered by Special Resolution;
“the auditors”	means the auditors for the time being of the Company;
“the Board”	means the Directors or any of them acting as the board of directors of the Company;
“clear days”	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“the Companies Acts”	means the Companies Acts as defined by section 744 of the Act and any enactment passed after the Companies Acts which may, by virtue of that or any other such enactment, be cited together

	with the Companies Acts as "the Companies Acts" (with or without the addition of an indication of the date of any such enactment);
"Director"	means a director of the Company;
"Group"	means the Company and the Subsidiaries;
"the holder"	in relation to any shares means the member whose name is entered in the register as the holder of such shares;
"member"	means a member of the Company;
"the Memorandum"	means the Memorandum of Association of the Company;
"the Office"	means the registered office of the Company;
"the register"	means the register of members of the Company;
"the seal"	means any common seal of the Company or any official seal kept by the Company by virtue of section 40 of the Act;
"the Secretary"	means the secretary of the Company and includes a joint, assistant, deputy or temporary secretary and any person appointed to perform the duties of the secretary;
"The Stock Exchange"	means the International Stock Exchange of the United Kingdom and the Republic of Ireland;
"the Subsidiaries"	means the subsidiaries of the Company for the time being;
"the United Kingdom"	means Great Britain and Northern Ireland;
"paid"	means paid or credited as paid;
"dividend"	means dividend or bonus;
"year"	means year from 1st January to 31st December inclusive;

"in writing"

means written, or produced by any visible substitute for writing, or partly one and partly another;

words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations;

words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force at 21st June 1988; and

references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force.

SHARE CAPITAL

3. The authorised share capital of the Company is £189,000,000 divided into 756,000,000 Ordinary Shares of 25p each.

4. Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by Ordinary Resolution determine.

5. Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles.

6. Subject to the provisions of the Companies Acts relating to authority, pre-emption rights and otherwise and of any resolution of the Company in general meeting passed pursuant thereto, all unissued shares for the time being in the capital of the Company shall be at the disposal of the Board and the Board may (subject as aforesaid) allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as it thinks fit. This power shall not apply to redeemable shares, which shall be governed by the provisions of Article 5.

7. The Company may exercise the powers of paying commissions conferred by the Companies Acts. Subject to the provisions of the Companies Acts, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

VARIATION OF RIGHTS

9. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate general meeting of such holders (but not otherwise). All the provisions of the Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every such separate general meeting, except that:-

- (a) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class or, at any adjourned meeting of such holders, one holder present in person or by proxy, whatever his holding; and
- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
- (c) each holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him.

10. Unless otherwise expressly provided by the rights attached to any shares or class of shares, those rights shall be deemed not to be varied by the creation or issue of further shares ranking pari passu therewith or subsequent thereto or by the purchase of the Company of any of its own shares.

SHARE CERTIFICATES

11. Every member, upon becoming the holder of any shares (except a stock exchange nominee or other person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a

certificate for the balance of such holding) or, with the consent of the Board, several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Board may determine. Every certificate shall be sealed with the seal or if the Directors so resolve issued in such other manner as may be permitted by law and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

12. The Board may by resolution determine either generally or in any particular case that any certificates for shares or debentures or representing any other form of security may have signatures affixed to them by some mechanical means or that such certificates need not bear any signature.

LIEN

13. 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) payable at a fixed time or called in respect of that share. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

14. The Company may sell, in such manner as the Board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise by operation of law, demanding payment and stating that if the notice is not complied with the shares may be sold.

15. To give effect to any such sale the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

16. The net proceeds of the sale, after payment of the costs, shall be applied in or towards payment or satisfaction of so much of the debt or liability in respect of which the lien exists as is presently payable, and any residue shall (upon surrender to the

Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17. Subject to the terms of allotment, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may be revoked in whole or part and the time fixed for payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

18. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

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

20. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid, at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the Board may waive payment of such interest wholly or in part.

21. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and notified and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of such a call.

22. Subject to the terms of allotment, the Board may make arrangements on any issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

23. 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 any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) the appropriate rate (as defined by the Act) as may be agreed upon between the Board and such member.

FORFEITURE AND SURRENDER

24. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

25. If any such notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

26. Subject to the provisions of the Companies Acts, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determines either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposal, the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share to that person.

27. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest thereon at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

28. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

29. A statutory declaration by a Director or the Secretary that a share has been duly forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

30. The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

31. The Board may, in its absolute discretion and without giving any reason, refuse to register the transfer of a share which is not fully paid.

32. The Board may also refuse to register the transfer of a share unless the instrument of transfer:

- (a) is lodged, duly stamped, at the Office or at such other place as the Board may appoint and is accompanied by any certificate for the shares to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer;
- (b) is in respect of only one class of shares; and
- (c) is in favour of not more than four transferees.

33. If the Board refuses to register the transfer of a share, it shall within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal.

34. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Board may determine.

35. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

36. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

TRANSMISSION OF SHARES

37. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

38. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the Board may properly require as to his entitlement, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the provisions of the Articles relating to the transfer of shares shall apply to any such notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.

39. 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 such evidence being produced as the Board may properly require as to his entitlement and subject to the requirements of Article 138, have the rights to which he would be entitled if he were the holder of the share, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not (except as otherwise provided by the Articles), before being registered as the holder of the share, be entitled in respect of it to receive notice of or to attend or vote at any meeting

of the Company or to receive notice of or to attend or vote at any separate meeting of the holders of any class of shares in the Company. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

SHARE WARRANTS TO BEARER

40.(1) Subject to the provision of the Companies Acts, the Board may issue under the seal or in such other manner as may be permitted by law, share warrants to bearer in respect of any fully paid shares, and all shares while represented by warrants shall be transferable by delivery of the warrants relating thereto which warrants may provide by coupons or otherwise for the payment of future dividends on the shares included in such warrants.

(2) Any person applying to have a share warrant issued to him shall at the time of application pay, if so required by the Board, the stamp duty (if any) payable in respect thereof.

(3) The Board may determine and from time to time vary the conditions upon which share warrants may be issued and in particular upon which a new share warrant or coupon will be issued in the place of one worn out, defaced, or destroyed, and upon which the bearer of a share warrant shall be entitled to attend and vote at general meetings; provided that no new share warrant shall be issued except either in place of one worn out or defaced and against production of the same or upon the board being satisfied beyond reasonable doubt that the original warrant has been destroyed.

(4) Subject to the provisions of the Articles and of the Companies Acts, the bearer of a share warrant shall be deemed to be a member, and shall be subject to the conditions for the time being in force.

(5) If the bearer of a share warrant shall surrender it to be cancelled together with all outstanding dividend coupons (if any) and make an application in writing signed by him in such form and authenticated in such manner as the Board shall require requesting to be entered in the register as the holder of the share or shares specified in the share warrant, and stating in such application his name, address and occupation, he shall be entitled to have his name entered in the register as the holder of the share or shares specified in the share warrant so surrendered.

STOCK

41.(1) The Company may by Ordinary Resolution convert any fully paid shares into stock, and re-convert any stock into fully paid shares of any denomination.

(2) The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which, the shares from which the stock arose might prior to conversion have been transferred, or as near thereto as circumstances permit. The Board may from time to time fix the minimum amount of stock transferable but so that the minimum shall not exceed the nominal amount of the shares from which the stock arose.

(3) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such rights, privileges or advantages (except participation in dividends and profits and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

(4) All the provisions of the Articles applicable to fully paid shares shall apply to stock, and the word "share" shall be construed accordingly.

ALTERATION OF SHARE CAPITAL

42. The Company may by Ordinary Resolution:—

- (a) increase its share capital by new shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Companies Acts, sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- (d) cancel 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 share capital by the amount of the shares so cancelled.

43. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Board may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

44. Subject to the provisions of the Companies Acts, the Company may by Special Resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

45. Subject to the provisions of the Companies Acts and to sanction by an Extraordinary Resolution passed at a separate class meeting of the holders of any class of convertible shares, the Company may purchase its own shares (including any redeemable shares).

GENERAL MEETINGS

46. All general meetings other than annual general meetings shall be called extraordinary general meetings.

47. The Board may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any two members of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

48. An annual general meeting and an extraordinary general meeting called for the passing of a Special Resolution shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice. Subject to the provisions of the Articles and to any restrictions in respect of any shares, the notice shall be given to all the members, the Directors and to the auditors.

49. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted. The notice shall, in the case of an annual general meeting, specify the meeting as such, and in the case of a meeting to pass a Special or Extraordinary Resolution, specify the intention to propose the resolution as a Special or Extraordinary Resolution, as the case may be.

50. The accidental omission to give notice of a meeting, or to send a form of proxy with a notice where required by the Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by any such person shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

51. No business shall be transacted at any general meeting unless a quorum is present. Three members present in person or by proxy and entitled to vote upon the business to be transacted shall be a quorum. A corporation which is a member shall be deemed for the purpose of the Articles to be present in person if represented by its duly authorised representative.

52. If such a quorum is not present within thirty minutes from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved, and in any other case shall stand adjourned to such time and place as the chairman of the meeting may determine.

53. The chairman, if any, of the Board or in his absence the deputy chairman, if any, shall preside as chairman of the meeting, but if neither the chairman nor the deputy chairman (if any) is present and willing to act within five minutes after the time appointed for holding the meeting, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

54. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

55. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the

1985, to make market purchases as defined in Section 163 of the said Act of Ordinary Shares of 25p in the capital of the company provided that:

- (i) the maximum number of Ordinary Shares authorised to be acquired shall be 96,000,000 Shares;
- (ii) the maximum price which may be paid for the Ordinary Shares shall be, in respect of a share contracted to be purchased on any day, an amount equal to 105% of the average of the middle market quotations as derived from The London Stock Exchange Daily Official List for the Ordinary Shares of the Company on the ten business days immediately preceding the day on which that share is to be purchased, which amount shall be exclusive of expenses;
- (iii) the minimum price which may be paid for the Ordinary Shares shall be 25p per Ordinary Share, which amount shall be exclusive of expenses; and
- (iv) this authority shall expire at the conclusion of the next Annual General Meeting, provided that the Company may before such expiry make a contract of purchase which would or might be executed wholly or partly after such expiry, and the Board may make a purchase of its Ordinary Shares in pursuance of such contract as if the authority conferred hereby had not expired.

Robert Maxwell
Chairman

shall be deemed to be the resolution of the meeting at which the poll was demanded.

60. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

61. No poll shall be demanded on the election of a chairman and a poll demanded on the question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than fourteen days after the poll is demanded. 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 was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

62. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

VOTES OF MEMBERS

63. Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person shall have one vote 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.

64. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names of the holders stand in the register.

65. A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court or official, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than forty-eight hours

before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

66. No member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

67.(1) If not earlier than twenty-eight days from the date of service (or where such member or other person is interested in at least 0.25 per cent. of the issued shares of that class fourteen days) the Board is satisfied that any member or other person appearing to be interested in shares in the capital of the Company has failed to comply with a notice given to that person by the Company pursuant to section 212 of the Act (other than a person for the time being exempted by the Secretary of State from the operation of such section) or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the Board may serve notice in writing on any member holding shares relating to which the Board has determined or become aware that such default has occurred. Any such notice (hereinafter referred to as a "Default Notice") shall specify the nature of the default, the number of shares concerned and the steps to be taken to remedy such default. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under section 212 of the Act which fails to establish the identities of those interested in the shares and if (after taking into account such notification and any other relevant section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

(2) The Board may at any time give notice cancelling a Default Notice.

(3) The Default Notice shall direct that from the date of the Default Notice (notwithstanding that the member or other person has not received a copy of the same and notwithstanding any other provisions of these Articles relating to the giving of notice) until such time as the Board may either cancel the Default Notice or until the Board is satisfied if earlier that the default has been remedied ("the Prescribed Period"), that member shall not be entitled to attend or vote at any general meeting of the Company or at any separate meeting of the holders of shares of any class, either personally or by proxy, or to be reckoned in a quorum or to exercise any right or privilege as a member in relation to general meetings or separate meetings of the holders of shares of any class in respect of any shares specified in the Default Notice. Where the Default

Notice was given in respect of at least 0.25 per cent. of the issued shares of that class, it may also direct that during the Prescribed Period that member shall not be entitled to:

- (a) receive payment of any dividend or other cash distribution payable in respect of such shares, or
 - (b) transfer any such shares unless the transfer is an approved transfer as defined in this Article
- (4) A transfer of shares is an approved transfer if but only if
- (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer for a company (as defined in Section 14 of the Company Securities (Insider Dealing) Act 1985); or
 - (b) the Board are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in such shares; or
 - (c) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded.
- (5) The Board shall serve a further notice stating the default has been remedied as soon as reasonably practicable after the member concerned has remedied the default complained of in the Default Notice to the satisfaction of the Board.
- (6) The Board shall cause the register of interests in shares to have noted against the member upon whom a Default Notice has been served details of such notice and the number of shares specified therein and shall cause such note to be deleted upon cancellation of the Default Notice or upon the Board being satisfied that the default had been remedied.
- (7) Any notice served by the Board pursuant to this Article shall be conclusive against the member concerned and its validity shall not be questioned by any person.

68. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is tendered, and every vote not disallowed at such meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

69. On a poll votes may be given either personally or by proxy. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy to attend on the same occasion.

70. Proxy forms shall be sent by the Company to all persons entitled to receive notice of and to attend and vote at any meeting, and such proxy forms 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.

71. An instrument appointing a proxy shall be in writing, under the hand of the appointor or his attorney or, if such appointor be a corporation, under its common seal or the hand of a duly authorised officer or attorney and shall be in any usual form or in any other form which the Board may approve.

72. The instrument appointing a proxy and any power of attorney or other written authority under which it is executed or an officially or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority shall:—

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than forty-eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.

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

NUMBER OF DIRECTORS

74. Unless otherwise determined by Ordinary Resolution, the number of Directors (other than alternate directors) shall be not less than two.

ALTERNATE DIRECTORS

75. Any Director (other than an alternate director) may appoint any other Director, or any other person approved by resolution of the Board and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.

76. An alternate director shall be entitled to receive notice of all meetings of the Board and of all meetings of committees of the Board of which his appointor is a member, to attend and vote at any such meeting at which his appointor is not personally present, and generally to perform all the functions of his appointor as a director in his absence. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

77. A Director or any other person may act as alternate director to represent more than one Director, and an alternate director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, and shall count as two Directors for the purpose of determining whether a quorum is present when such quorum shall exceed two.

78. An alternate director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his services as an alternate director be entitled to receive any remuneration from the Company. An alternate director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

79. An alternate director shall cease to be an alternate director if his appointor ceases to be a Director; but, if a Director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment. The appointment of an alternate director shall also terminate automatically on the happening of any event which if he were a Director would cause him to vacate his office as Director.

80. Any appointment or removal of an alternate director shall be by notice to the Company signed by the Director making or revoking the appointment and shall take effect (subject to any approval required by Article 75) upon receipt of such notice at the Office by the Secretary.

81. Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

POWERS OF DIRECTORS

82. Subject to the provisions of the Companies Acts, the Memorandum and the Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Board which may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

83. The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent or agents of the Company for such purposes with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the Articles) and on such conditions as the Board determines, including authority for the agent or agents to delegate all or any of his or their powers, and may revoke or vary such delegation, but no person acting in good faith and without notice of any such revocation shall be affected thereby.

DELEGATION OF POWERS OF THE BOARD

84. The Board may delegate any of its powers to any committee consisting of one or more Directors. The Board may also delegate to any Managing Director or any Director holding any other executive office such of its powers as the Board considers desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying. The Board may co-opt onto any such committee persons other than Directors, who may enjoy voting rights in committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are Directors.

BORROWING

85.(1) Subject as hereinafter provided the Board may exercise all the powers of the Company to raise, borrow or secure money, and to mortgage or charge its undertaking, property and uncalled capital, and, subject to the Companies Acts, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to the Subsidiaries (if any) so as to ensure (as regards the Subsidiaries so far as by such exercise they can ensure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group, having:

- (a) excluded intra-Group borrowings; and
- (b) deducted therefrom the aggregate amount or market value of all cash in hand or at bank, money at call, short term deposits (being deposits with banks and other financial institutions maturing in less than six months from the date of determination of borrowings) and securities (other than trade investments) for which a recognised market exists and in respect of which a price is ascertainable, belonging or owing to the Company or to any Subsidiary;

shall not at any time without the prior sanction of an Ordinary Resolution of the Company in general meeting exceed £2,800 million.

Special
resolution
passed 14.9.89

For the purposes of the said limit:

- (a) the issue of debentures shall be deemed to constitute a borrowing notwithstanding that the same may be issued in whole or in part for a consideration other than cash; and
- (b) moneys borrowed for the purpose of repaying within four months of such borrowing the whole or any part of other borrowings of the Company or any of the Subsidiaries for the time being outstanding (including any premium or repayment) shall not, if applied for such purpose within four months of such borrowing, be deemed pending such application to constitute a borrowing.

(3) No person dealing with the Company or any of the Subsidiaries shall by reason of the foregoing provisions of this Article be concerned to see or inquire whether the said limit is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient

of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

(4) A certificate or report by the auditors as to the moneys borrowed by the Group for the purposes of this Article or to the effect that the limit imposed by this Article has not been or will not be exceeded shall be conclusive evidence of such amount or fact.

APPOINTMENT AND RETIREMENT OF DIRECTORS

86. At the first annual general meeting all the Directors shall retire from office, and at every subsequent annual general meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one Director who is subject to retirement by rotation, he shall retire.

87. Subject to the provisions of the Companies Acts, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

88. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

89. No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than six nor more than forty-two clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors, together with notice executed by that person of his willingness to be appointed or reappointed.

90. Except as otherwise authorised by the Companies Acts, the appointment of any person proposed as a Director shall be effected by a separate resolution.

91. Subject as aforesaid, the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.

92. The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. A Director so appointed (other than a Director holding office at the date of adoption of the Articles by virtue of an appointment of the Board prior to such date) shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

93. Subject as aforesaid, a Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

94. The Company may, pursuant and subject to the provisions of sections 303 and 304 of the Act, by Ordinary Resolution remove any Director (including a Managing Director) before the expiration of his period of office.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

95.(1) The office of a Director shall be vacated if –

- (a) he ceases to be a Director by virtue of any provisions of the Companies Acts or he becomes prohibited by law from being a Director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either –
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (d) (not being a Director holding office as such for a fixed term) he resigns his office by notice to the Company; or
 - (e) he shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and his alternate director (if any) shall not during such period have attended in his stead and the Board resolves that his office be vacated; or
 - (f) he is required in writing by all of the other Directors to resign.
- (2) The provisions of sub-sections (1) to (6) of section 293 of the Act shall apply to the Company as if all references therein to the age of seventy were instead references to the age of sixty-five.

REMUNERATION OF DIRECTORS

96. The Directors shall be paid out of the funds of the Company a fee of such amount as the Company may from time to time by Ordinary Resolution determine. Such amount shall be divided among them in such proportion and manner as the Board may determine and, in default of such determination within a reasonable period, equally. Such fee shall, unless the resolution provides otherwise, be deemed to accrue from day to day.

DIRECTORS' EXPENSES

97. The Directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

98. The Directors may grant special remuneration to any Director who serves on any committee or who devotes special or extra attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director. Such special remuneration may be made payable to such a Director in addition to or in substitution for the ordinary remuneration or fees payable

to him as a Director, and may, with prejudice to the provisions of Article 96, be made payable by a lump sum or by way of fixed salary or commission on the dividends or profits or turnover of the Company, or of any other company in which the Company is interested, or other participation in any such profits or otherwise or by any or all or partly by one and partly by another or others of those modes.

MANAGING AND EXECUTIVE DIRECTORS

99. Subject to the provisions of the Companies Acts, the Board may appoint one or more of its body to the office of Managing Director and/or one or more of its body to the office of Chief Executive, or to any other executive office (except that of auditor) under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Board determines. The Board may revoke any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation.

100. A Director appointed to the office of Chief Executive or Managing Director of the Company (but not to any other executive office or employment) shall not, while he continues to hold such office, be subject to retirement by rotation, or be taken in account in determining the retirement by rotation of Directors, but (subject to the provisions of any agreement between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company.

101. Any appointment of a Director to an executive office shall terminate immediately if he ceases to be a Director but without prejudice to any rights or claims which he may have against the Company by reason of such cesser. A Director appointed to an executive office shall not ipso facto cease to be a Director if his appointment to such executive office terminates.

102. The emoluments of any Managing Director, Chief Executive or Director holding any other executive office for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

DIRECTORS' INTERESTS

103. Subject to the provisions of the Companies Acts, and provided that he has disclosed to the Board the nature and extent of any interest of his, a Director notwithstanding his office –

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) 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 were not a Director;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

104. For the purposes of Article 103 –

- (a) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

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

GRATUITIES AND PENSIONS

106.(1) The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present Director or employee of the Company or any of the Subsidiaries or any company associated with, or any business acquired by, any of them, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

(2) The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid, or its members, and, payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

(3) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any other company.

107. Pursuant to section 719 of the Act, the Board is hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the Company or any of the Subsidiaries in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any Subsidiary.

PROCEEDINGS OF DIRECTORS

108. Subject to the provisions of the Articles, the Board may regulate its proceedings as it thinks fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

109. The quorum for the transaction of the business of the Board may be fixed by the board and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

110. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting. If there are no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

111. The Board may appoint one of their number to be the chairman, and one or more deputy chairmen, of the Board and may at any time remove either of them from such office. Unless he is unwilling to do so, the Director appointed as chairman, or in his stead the Director appointed as deputy chairman, shall preside at every meeting of the Board at which he is present. If there is no Director holding either of those offices or if neither the chairman nor the deputy chairman is willing to preside or neither of them is present within fifteen minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

112. All acts bona fide done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director or alternate director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or alternate director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or, as the case may be, an alternate director and had been entitled to vote.

113.(1) A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the board or of a committee of the Board (not being less than the number of Directors required to form a quorum of the board) shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and for this purpose –

- (a) a resolution may consist of several documents to the same effect each signed by one or more Directors;
- (b) a resolution signed by an alternate director need not also be signed by his appointor; and
- (c) a resolution signed by a Director who has appointed an alternate director need not also be signed by the alternate director in that capacity;
- (d) a resolution to which every Director or committee member entitled to receive notice of the meeting has signified his approval in writing shall be a valid resolution.