

**PROPOSED AMENDMENTS TO ARTICLES FOR ADOPTION AT THE 2008 AGM  
(effective from 0.01a.m. on 1 October 2008)**

**In substitution for existing articles 106.1 and 106.2:**

106.1

- (a) For the purposes of section 175 Companies Act 2006, the board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company.
- (b) Any such authorisation will be effective only if:
  - (i) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
  - (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- (c) The board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted.
- (d) The board may vary or terminate any such authorisation at any time.
- (e) For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

106.2 Provided that he has disclosed to the board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Companies Act 2006 apply, in which case no such disclosure is required), 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 (directly or indirectly) 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 he were not a director;
- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.

106.3 A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

- (a) the acceptance, entry into or existence of which has been approved by the board pursuant to Article 106.1 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (b) which he is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) of Article 106.2 above,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 Companies Act 2006.

106.4 Any disclosure required by Article 106.2 may be made at a meeting of the board, by notice in writing or by general notice or otherwise in accordance with section 177 Companies Act 2006.

106.5 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the board pursuant to Article 106.1. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 Companies Act 2006 because he fails:

- (a) to disclose any such information to the board or to any director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a director of the Company.

106.6 Where the existence of a director's relationship with another person has been approved by the board pursuant to Article 106.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 Companies Act 2006 because he:

- (a) absents himself from meetings of the board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.

106.7 The provisions of Articles 106.5 and 106.6 are without prejudice to any equitable principle or rule of law which may excuse the director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 106.6, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles.

**Amendments to be made to existing articles 106.3 and 106.7 (new articles 106.8 and 106.12):**

- Existing Article 106.3 to be amended by the deletion of the words “(together with any interest of any person connected with him)” commencing in the seventh line of the introductory paragraph.
- Existing Article 106.7 to be amended by the deletion of the words “the interest of a person who is for the purposes of the Acts connected with (within the meaning of section 346 of the Act) a director is treated as the interest of the director and,”.