



This document is important and requires your immediate attention

If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice from a stockbroker, bank manager, solicitor, accountant, or other financial advisor authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Associated British Foods plc shares, please send this document, together with the accompanying documents (but not the personalised Form of Proxy), as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

ASSOCIATED BRITISH FOODS plc

(incorporated and registered in England and Wales under number 00293262)

NOTICE OF ANNUAL GENERAL MEETING



Notice of the Annual General Meeting of Associated British Foods plc to be held at 11.00 am on Friday 4 December 2009 at Congress Centre, 28 Great Russell Street, London WC1B 3LS is set out in this document.

A Form of Proxy for use at the Annual General Meeting is enclosed. To be valid, the Form of Proxy should be completed and returned in accordance with the instructions to Equiniti at Aspect House, Spencer Road, Lancing BN99 6GU as soon as possible but in any event so as to arrive not later than 11.00 am on Wednesday, 2 December 2009.



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the seventy-fourth Annual General Meeting of Associated British Foods plc (the 'Company') will be held at Congress Centre, 28 Great Russell Street, London WC1B 3LS on Friday 4 December 2009 at 11.00 am to transact the following business:

Ordinary business

To propose and, if thought fit, to pass the following resolutions as ordinary resolutions:

Resolution 1

To receive the accounts and the reports of the directors and the auditors thereon for the year ended 12 September 2009.

Resolution 2

To receive and approve the directors' Remuneration report for the year ended 12 September 2009.

Resolution 3

That a final dividend of 14.1p per ordinary share be paid on 8 January 2010 to holders of ordinary shares on the register of shareholders of the Company at the close of business on 4 December 2009.

Resolution 4

To re-elect Willard Gordon Galen Weston as a director.

Resolution 5

To re-elect Lord Jay of Ewelme as a director.

Resolution 6

To re-elect Javier Ferrán as a director.

Resolution 7

To re-elect Timothy Clarke as a director.

Resolution 8

To reappoint KPMG Audit Plc as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the shareholders, and to authorise the directors to determine their remuneration.

Special business

To propose and, if thought fit, to pass the following resolution as an ordinary resolution:

Resolution 9

THAT the directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights'):

- (a) up to an aggregate nominal amount of £14,900,000; and
- (b) up to a further aggregate nominal amount of £14,900,000 provided that (i) they are equity securities (within the meaning of section 560(1) of the Companies Act 2006) and (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record dates, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter,

provided that this authority shall expire on the date of the next annual general meeting of the Company or, if earlier, on 31 December 2010, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the directors to allot shares and grant Rights be and are hereby revoked.

To propose the following resolutions as special resolutions:

Resolution 10

THAT the directors be and they are hereby empowered pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash either pursuant to the authority conferred by Resolution 9 above or by way of a sale of treasury shares as if section 561(1) of that 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 an offer of securities (but in the case of the authority granted under paragraph (b) of Resolution 9 by way of rights issue only) in favour of the holders of ordinary shares on the register of members at such record date as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record dates, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
- (b) the allotment (otherwise than pursuant to sub-paragraph (a) of this Resolution 10) to any person or persons of equity securities up to an aggregate nominal amount of £2,200,000,

and shall expire upon the expiry of the general authority conferred by Resolution 9 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

Resolution 11

THAT a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

Resolution 12

THAT:

- (a) the Articles of Association of the Company be amended by deleting all the provisions formerly in the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are treated as provisions of the Company's Articles of Association; and
- (b) the Articles of Association produced to the meeting and initialled by the Chairman of the Meeting for the purpose of identification be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the board

Paul Lister

Company Secretary
3 November 2009

Weston Centre
10 Grosvenor Street
London W1K 4QY
Registered in England and Wales
Company No. 00293262

Notes

1. Resolution 3 (Dividend)

A final dividend for the year ended 12 September 2009 of 14.1p per ordinary share is recommended by the directors and is put to shareholders for their approval. If approved, the dividend will be paid on 8 January 2010 to holders of ordinary shares on the register of shareholders of the Company at the close of business on 4 December 2009 making a total dividend in respect of the year ended 12 September 2009 of 21.0p per ordinary share. In accordance with the Articles of Association of the Company, the shareholders cannot resolve to pay an amount greater than that recommended by the directors.

2. Resolutions 4 to 7 (Directors)

Biographical details of the directors to be re-elected can be found on pages 28 and 29 of the annual report for the financial year ended 12 September 2009.

In accordance with the Articles of Association and the Combined Code, Galen Weston (who has served longer than nine years) will retire at the Annual General Meeting and will seek re-election.

Lord Jay of Ewelme, Javier Ferrán and Timothy Clarke retire by rotation in accordance with the Articles of Association. Being eligible, Lord Jay of Ewelme, Javier Ferrán and Timothy Clarke offer themselves for re-election.

In proposing the re-election of the non-executive directors, the Chairman has confirmed that, following formal performance evaluation, each individual continues to make an effective and valuable contribution to the board and demonstrates commitment to the role. Details of the board evaluation process in relation to the directors can be found at page 33 of the annual report for the financial year ended 12 September 2009.

3. Resolutions 9 and 10 (Renewal of directors' powers to allot shares and disapplication of statutory pre-emption rights)

Resolution 9 deals with the directors' authority to allot shares.

At the last AGM of the Company held on Friday 5 December 2008, the directors were given authority to allot ordinary shares in the capital of the Company up to a maximum of 263 million shares of 5¹⁵/₂₂p each, representing approximately 33% of the Company's then issued ordinary share capital. This authority expires at the end of this year's AGM.

In December 2008, the Association of British Insurers ('ABI') revised its guidelines on directors' authority to allot shares (in line with the recommendations of the report issued in November 2008 by the Rights Issue Review Group). The guidelines state that ABI members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to two thirds of the Company's issued share capital. The guidelines provide that the extra routine authority (that is the authority to allot shares representing the additional one third of the Company's issued share capital) can only be used to allot shares pursuant to a fully pre-emptive rights issue.

In light of these guidelines, the board considers it appropriate that directors be granted authority to allot shares in the capital of the Company up to a maximum nominal amount of £29,800,000 representing the guideline limit of approximately two thirds of the Company's issued ordinary share capital as at 2 November 2009 (the latest practicable date prior to publication of this Notice). Of this amount, £14,900,000 (representing approximately one third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. The power will last until the conclusion of the next AGM in 2010 or, if earlier, 31 December 2010.

The directors have no present intention of exercising this authority.

As at the date of this Notice the Company does not hold any ordinary shares in the capital of the Company in treasury.

Resolution 10 will give the directors authority to allot shares in the capital of the Company pursuant to the authority granted under Resolution 9 above for cash without complying with the pre-emption rights in the Companies Act 2006 in certain circumstances. In the light of the ABI guidelines described in relation to Resolution 9 above, this authority will permit the directors to allot:

- (a) shares up to a nominal amount of £29,800,000 (representing approximately two thirds of the Company's issued ordinary share capital) on an offer to existing shareholders on a pre-emptive basis. However unless the shares are allotted pursuant to a rights issue (rather than an open offer), the directors may only allot shares up to a nominal amount of £14,900,000 (representing approximately one third of the Company's issued ordinary share capital) (in each case subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the directors see fit); and
- (b) shares up to a maximum nominal value of £2,200,000, representing approximately 5% of the issued ordinary share capital of the Company as at 2 November 2009 (the latest practicable date prior to publication of this Notice) otherwise than in connection with an offer to existing shareholders.

The directors have no present intention of exercising this authority.

4. Resolution 11 (Length of notice of meeting)

Resolution 11 is a resolution to allow the Company to hold general meetings (other than AGMs) on 14 days' notice.

Before the introduction of the Companies (Shareholders' Rights) Regulations 2009 on 3 August 2009, the minimum notice period permitted by the 2006 Act for general meetings (other than AGMs) was 14 days. One of the amendments made to the 2006 Act by the Regulations was to increase the minimum notice period for general meetings of listed companies to 21 days, but with an ability for companies to reduce this period back to 14 days (other than for AGMs) provided that two conditions are met. The first condition is that the company offers a facility for shareholders to vote by electronic means. This condition is met if the company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website. (Please refer to note 7 to the notice of meeting on page 5 of this document for details of the Company's arrangements for electronic proxy appointment.) The second condition is that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 days.

The board is therefore proposing Resolution 11 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than AGMs. The approval will be effective until the Company's next AGM, when it is intended that the approval be renewed.

5. Resolution 12 (Amendments to the Articles of Association)

The Company proposes to adopt new articles of association. These incorporate amendments to the current Articles of Association to reflect the changes in company law brought about by the 2006 Act which are already in force and changes made to the 2006 Act in August 2009 to implement the EU Shareholder Rights Directive in the UK, as well as some minor technical or clarifying changes.

Please refer to the Appendix for further details of the proposed changes.

A copy of the current Articles of Association and the proposed new Articles of Association that reflect these amendments will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at the registered office of the Company, Weston Centre, 10 Grosvenor Street, London W1K 4QY, up until the close of the meeting. Copies will also be available at the AGM venue, Congress Centre, 28 Great Russell Street, London WC1B 3LS, on the morning of the meeting from 10.45 am until its conclusion.

6. Recommendation

The board considers the Resolutions are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 8,891,899 shares representing approximately 1.12% of the existing issued ordinary share capital of the Company.

7. Voting by proxy

A member entitled to attend and vote at the meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his/her rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.

A proxy does not need to be a member of the Company but must attend the meeting to represent you. Your proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Appointing a proxy does not preclude you from attending the meeting and voting in person.

A proxy form (or notification of availability if registered to receive shareholder communications electronically) which may be used to make this appointment and give proxy instructions has been sent to all members who appeared on the register of members at the close of business on 28 October 2009. Details of how to appoint a proxy are set out in the notes to the Form of Proxy. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA (Tel: 0871 384 2282, Textel: 0871 384 2255). As an alternative to completing a hard copy Form of Proxy, proxies may be appointed electronically in accordance with the paragraph below.

In order to be valid an appointment of proxy must be returned (together with any authority under which it is executed or a copy of the authority certified or in some other way approved by the directors) by one of the following methods:

- in hard copy form by post, by courier or by hand to the Company's registered office or the Company's Registrars;
- by completing it online at www.sharevote.co.uk by following the on-screen instructions to submit it – shareholders will need to identify themselves with the Voting ID, Task ID and Shareholder Reference Number printed on the hard copy investor form;
- in the case of shareholders who have already registered with Equiniti's online portfolio service, Shareview, they can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk and clicking on the link to vote under your Associated British Foods holding details; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below,

and in each case must be received by the Company not less than 48 hours before the time of the meeting, excluding non-working days.

Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out, but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic proxy form, that is found to contain any virus will not be accepted.

To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA (Tel: 0871 384 2282, Textel: 0871 384 2255). Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com/ CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a '**CREST Proxy Instruction**') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number – RA19) by the latest time(s) for receipt of proxy appointments specified in the Notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

As at 2 November 2009 (being the latest business day prior to the publication of this Notice), the Company's issued voting share capital consists of 791,674,183 ordinary shares, carrying one vote each, and 2,000,000 deferred shares carrying no voting rights. Therefore the total voting rights in the Company are 791,674,183.

8. Nominated persons

A copy of this Notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a '**Nominated Person**'). The rights to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Notes

9. Voting by corporate representatives

A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

10. Documents available for inspection

The following documents will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and will be available at the place of the meeting from 15 minutes before the start of the meeting until its conclusion:

- copies of the directors' service contracts with the Company and the terms and conditions of the appointment of non-executive directors (except for Galen Weston who does not have a formal letter of appointment);
- the register of directors' interests in the ordinary shares of the Company; and
- a copy of the amended Articles of Association of the Company proposed to be adopted by the Company pursuant to Resolution 12 set out in this notice.

The contents of this Notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Meeting, the total voting rights that members are entitled to exercise at the Meeting, and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice will be available on the Company's website: www.abf.co.uk

11. Shareholders entitled to attend and vote

To be entitled to attend and vote at the meeting, members must be registered in the register of members of the Company at 6.00 pm on Wednesday 2 December 2009 (or, if the meeting is adjourned, at 6.00 pm on the date which is two days prior to the adjourned meeting). Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote (and the number of votes they may cast) at the meeting or adjourned meeting.

12. Audit statements

Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.

13. Members' questions

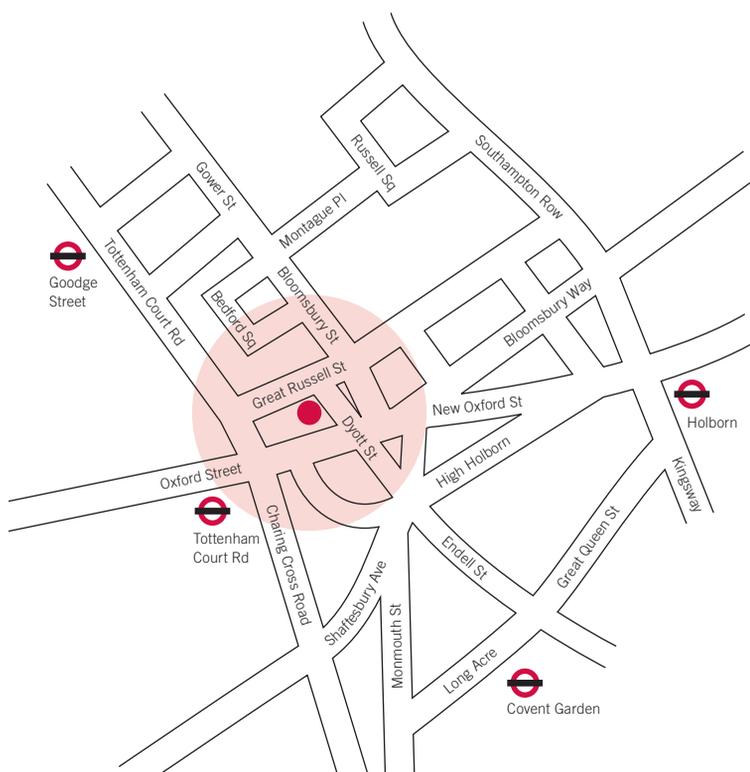
The Company must cause to be answered at the meeting any question relating to the business being dealt with at the meeting which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.

14. Electronic voting

Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. In line with many other public companies we will be asking shareholders who attend the AGM in person or by proxy to vote on the Resolutions at the AGM using a hand-held electronic voting system. This will record all votes cast for each resolution and display them on a screen providing immediate detailed results for shareholders to see. As soon as practicable following the AGM, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's website, www.abf.co.uk

You may not use any electronic address provided in this Notice of meeting to communicate with the Company for any purposes other than those expressly stated.

The AGM venue



Congress Centre

28 Great Russell Street, London WC1B 3LS
T +44 (0) 20 7467 1318 F +44 (0) 20 7467 1313
congresscentre@tuc.org.uk www.congresscentre.co.uk

Appendix Explanatory notes of principal changes to the Company's Memorandum and Articles of Association

The Companies Act 2006 ('the 2006 Act'), which replaced the Companies Act 1985 ('the 1985 Act') was implemented in stages and was fully in force by 1 October 2009. In addition, the Shareholders' Rights Regulations which amend certain provisions of the 2006 Act relating to meetings of the Company came into force in August 2009. Under Resolution 12, the Company is adopting new Articles of Association ('the Articles') which will reflect the changes in company law brought about by the Shareholders' Rights Regulations and by the provisions of the 2006 Act which came into effect on 1 October 2009. The Articles also include some other modernising and clarificatory amendments, including, where appropriate, tracking the wording of the new model form articles for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 ('the model form articles'), which replace the Table A articles under the 1985 Act on which many of the Company's current articles are based. Two further examples of these amendments are the explicit references to certificated shares throughout the Articles, and the new distinct section relating to administrative matters. Set out below is a summary of the principal changes.

1. The Company's objects

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The provisions governing the operations of the Company are currently set out in both its Memorandum of Association and its Articles of Association. Under the 2006 Act, the memorandum no longer contains an objects clause and simply records the names of the subscribers and the number of shares which each subscriber agreed to take in the Company. Under section 28 of the 2006 Act, the objects clause and all other provisions in the memorandum are treated as part of the articles with effect from 1 October 2009 but the Company can remove these provisions by special resolution. Unless the articles provide otherwise, the Company's objects will be unrestricted. The Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 12 confirms the removal of these provisions and adopts the new Articles.

2. Limited liability (Article 3)

Under the 2006 Act, the memorandum of association also no longer contains a clause stating that the liability of the members of a company is limited. For existing companies, this statement is automatically treated as having moved into the articles on 1 October 2009. As noted in paragraph 1 above, Resolution 12 confirms the removal, from the Company's Articles of Association, of the provisions of the Company's Memorandum of Association which are treated as forming part of the Company's Articles of Association by virtue of section 28 of the 2006 Act, which includes the statement of limited liability. An explicit statement of the members' limited liability is therefore included in the new Articles.

3. Authorised share capital and unissued shares

The 2006 Act abolishes the concept of authorised share capital and under the 2006 Act, the memorandum of association no longer contains a statement of the Company's authorised share capital. For existing companies, this statement is deemed to be a provision of the Company's articles of association setting out the maximum amount of shares that may be allotted by the Company. The adoption of the new Articles by the Company will have the effect of removing this provision relating to the maximum amount. Directors will still need to obtain the usual shareholders' authorisation in order to allot shares, except in respect of employee share schemes.

References to authorised share capital and to unissued shares have therefore been removed from the new Articles.

4. Redeemable shares (Article 6)

Under the 2006 Act, the articles of association need not include the terms on which redeemable shares may be redeemed. The directors may determine the terms, conditions and manner of redemption of redeemable shares provided they are authorised to do so by the articles. The new Articles contain such authorisation. The Company currently has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

5. Share certificates (Article 13)

The new Articles contain new provisions for the issue of consolidated share certificates, in line with the model form articles.

6. Authority to purchase own shares, consolidate and subdivide shares, and reduce share capital (Article 43)

Under the 1985 Act, a company required specific authorisations in its articles of association to purchase its own shares, to consolidate or subdivide its shares and to reduce its share capital. Under the 2006 Act, public companies do not require specific authorisations in their articles of association to undertake these actions; but shareholder authority is still required. Amendments have been made to the new Articles to reflect these changes.

7. Security arrangements and orderly conduct (Articles 50 and 53)

The directors or chairman of the meeting may take such action, give such direction, or put in place such arrangements as they or he consider appropriate to secure the safety of the people attending the meeting or to promote the orderly conduct of business of the meeting, which includes directing that any person wishing to attend the meeting should submit to and comply with security searches or other security arrangements. Article 53 contains an explicit section regarding the chairman's right to adjourn general meetings if he considers this necessary in order for the business of the meeting to be properly carried out. Examples of when this would be necessary include protecting the safety of those attending the meeting, preventing disruptive behaviour, or if there is not enough room for all those members who wish to attend.

8. Participation in meetings at different places and by electronic means (Article 52)

Amendments made to the 2006 Act by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The new Articles include amendments to provide greater scope for members to participate in meetings of the Company even if they are not present in person at the principal place where the meeting is being held. The amendments allow for members to participate not only by attendance at satellite meeting locations, but also by any other electronic means of participation.

9. Adjournments (Article 53)

The Shareholders' Rights Regulations add a provision to the 2006 Act which requires that, when a general meeting is adjourned due to lack of quorum, at least ten days' notice must be given to reconvene the meeting. The new Articles include amendments to the provisions dealing with notice of adjourned meetings to make them consistent with this new requirement.

10. Amendments to special and ordinary resolutions (Article 54)

The new Articles contain provisions regarding the proposed amendment of resolutions. Generally, special resolutions can only be amended to correct an error. An ordinary resolution may only be amended where the change has been submitted 48 hours before the meeting and is within the scope of the original resolution, or otherwise with the consent of the chairman of the meeting.

11. Voting rights (Article 62)

The Shareholders' Rights Regulations clarify the various powers of proxies and representatives of corporate members in respect of resolutions taken on a show of hands. Where a proxy has been duly appointed by one member, he has one vote on a show of hands unless he has been appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been appointed by more than one member to vote for the resolution and by more than one member to vote against the resolution. Where a corporate member appoints representatives to attend meetings on its behalf, each representative duly appointed by a corporate member has one vote on a show of hands. The new Articles contain provisions which clarify these rights and also clarify how the provisions giving a proxy a second vote on a show of hands should apply to discretionary powers.

12. Voting record date (Article 63)

The new Articles include a new provision, which was not previously in the Company's Articles of Association, dealing with the method for determining which persons are allowed to attend or vote at a general meeting of the Company and how many votes each person may cast. Under this new provision, when convening a meeting the Company may specify a time, not more than 48 hours before the time of the meeting (excluding any part of a day that is not a working day), by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting. This new provision is in line with a requirement for listed companies introduced by the Shareholders' Rights Regulations.

13. Validity of votes (Article 67)

Following the implementation of the Shareholders' Rights Regulations, proxies are expressly required to vote in accordance with instructions given to them by members. The new Articles contain a provision stating that the Company is not required to enquire whether a proxy or corporate representative has voted in accordance with instructions given to him and that votes cast by a proxy or corporate representative will be valid even if he has not voted in accordance with his instructions.

14. Termination of proxy authority (Article 72)

Article 72 provides that the termination of a proxy's authority should be in writing as this is required by the Shareholders' Rights Regulations.

15. Appointing corporate representatives (Article 74)

The new Articles provide that the Company can require a corporate representative to produce a certified copy of the resolution appointing him before permitting him to exercise his powers.

16. Retirement of directors by rotation (Article 80)

The new Articles have been redrafted in order to make it clear that directors who retire other than by reason of rotation, for example because they are subject to annual re-election, shall not be taken into account in determining the number or identity of the directors to retire by rotation at that meeting.

17. Alternate directors (Articles 86, 87.2 and 88.2(c))

Article 86 now clarifies that an alternative director is entitled to be paid expenses (but not directors' fees). Article 87.2 is a new provision which effectively applies the provisions of Article 84, regarding removal of directors, to alternate directors. Article 88.2(c) makes it clear that an alternate director is subject to the same restrictions as the director who appointed him.

18. Provisions for employees on cessation or transfer of business (Article 91)

The 2006 Act provides that the powers of the directors to make provision for a person employed or formerly employed by a company or any of its subsidiaries in connection with the cessation or transfer of the whole or part of the undertaking

of the company or that subsidiary may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. Article 91 provides that the directors may exercise this power.

19. Delegation to persons or committees (Article 92)

Article 92 follows the new, simplified approach to delegation adopted in the model form articles, allowing the directors to delegate as they decide appropriate.

20. Directors' remuneration (Article 93)

Article 93 increases the maximum ordinarily payable to the directors to £1million, in order to remain consistent with market practice. This limit does not include executive remuneration or fees for additional services.

21. Directors' interests in group companies (Article 97)

A director is deemed to have already disclosed his interest if his interest is in a subsidiary undertaking of the Company.

22. Procedures regarding board meetings & resolution in writing (Articles 98 and 101)

The provisions of Article 98 have been amended to make it clear that notice of a board meeting may be given personally, by telephone, in hard copy or in electronic form. In order to clarify the procedure for written resolutions of directors, Article 101 has been amended so that, rather than referring to a resolution in writing by all directors, a resolution in writing will be valid and effectual as if it had been passed at a meeting if executed by all the directors entitled to receive notice of the meeting and who would have been entitled to vote (and whose vote would have been counted) on a resolution at a meeting.

23. Permitted interests and voting (Article 102)

The provisions which previously deemed certain interests of a director's connected persons to be the interests of the director himself for the purposes of this Article have been deleted. There is no requirement in the 2006 Act to include such a provision and the 2006 Act contains a much wider definition of 'connected person' of a director. The director and the Company must still take a view each time a matter is being considered as to whether the interests of the director's connected persons mean that the director should be treated as interested for the purposes of this Article.

Article 102 has been amended to allow a director to vote on a resolution which relates to giving him an indemnity or funding for expenditure incurred in defending proceedings provided all the other directors have been given or are to be given arrangements on substantially the same terms. This exception has become a common exception for listed companies to include.

24. Capitalisation of profits (Article 114)

Where the Company issues new shares to meet any share option entitlements, and any adjustments to the option price arise because of the issue of new shares, the Company cannot issue shares for a price which is less than their nominal value. If the adjusted price would be less than that nominal value, the Articles allow for a bonus issue of shares to compensate option holders. At present, the Company's option schemes do not involve the issue of new shares.

25. The seal (Article 130)

Article 130 provides that instruments (other than share certificates) to which the seal is affixed shall be validly signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by two authorised persons or by a director in the presence of a witness.

26. Change of name (Article 133)

Under the Companies Act 1985, a company could only change its name by special resolution. Under the Companies Act 2006 a company is able to change its name by other means provided for by its articles. To take advantage of this provision, the new Articles enable the directors to pass a resolution to change the Company's name.