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If you have sold or otherwise transferred all your shares in Scapa Group plc please send this document and the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some only of your shares in Scapa Group plc, you should retain these documents.



Scapa Group plc
997 Manchester Road
Ashton-under-Lyne
OL7 0ED

Directors:

J A S Wallace (*Chairman*)
H R Chae
B T Tenner
R J Perry
M C Buzzacott

18 June 2010

To the holders of ordinary shares in Scapa Group plc

Dear Shareholder

2010 ANNUAL GENERAL MEETING

Notice of the 2010 Annual General Meeting to be held on Wednesday, 28 July 2010 at 2.00pm at the offices of Addleshaw Goddard LLP at 100 Barbirolli Square, Manchester M2 3AB is set out on pages 4 to 6 of this document.

I provide below further information regarding certain resolutions which shareholders are to be asked to approve at the Annual General Meeting.

Resolution 2 – Directors' Remuneration Report

Shareholders are again asked to approve the Directors' Remuneration Report, which is set out on pages 22 to 28 of the Report and Accounts. The Directors are satisfied that the Company's policy and practice in relation to Directors' remuneration are reasonable and that they deserve shareholder support.

Resolutions 3 and 4 – Re-election of Directors

As Mr Chae has been appointed by the Board since last year's Annual General Meeting, he is required to retire and offer himself for re-election by shareholders. The Articles of Association of the Company require a minimum of one-third of the Directors to retire by rotation each year. The Director retiring under the one-third rule is Mr Wallace and he is also standing for re-election.

A profile of each current Director is set out on page 18 of the Report and Accounts. Following formal performance evaluation it has been determined that Mr Chae and Mr Wallace are performing effectively.

Resolution 7 – Allotment of shares

Under Section 551 of the Companies Act 2006, the Directors may only allot shares or grant rights to subscribe for or convert any securities into shares if authorised to do so. The Company's Articles of Association give a general authority to the Directors to allot shares.

This resolution, which complies with guidance issued by the Association of British Insurers, will, if passed, authorise the Directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount of £2,412,714 (being approximately 33% of the current issued share capital as at 18 June 2010) and up to an additional amount not exceeding £2,412,714 in the case of allotments in connection with a rights issue. This additional authority represents approximately 33% of the issued share capital as at 18 June 2010. The Directors have no present intention to exercise either of the authorities sought under this resolution. However, the Directors may consider doing so if they believe it would be appropriate in respect of business opportunities that may arise consistent with the Company's strategic objectives. The authorities will last until the conclusion of the next Annual General Meeting.

As at 18 June 2010, the Company did not hold any shares in the Company in treasury.

Resolution 8 – Disapplication of pre-emption rights

This is a special resolution to renew the Directors' authority to allot shares for cash without first offering them to existing shareholders on a pro-rata basis. In addition, subject to a waiver by way of special resolution, or in the Articles of Association, treasury shares must in the first instance be offered for sale to existing shareholders in proportion to their holdings. As with the allotment of shares for cash, the Directors consider that it is in the interests of the Company, in certain circumstances, for the Directors to be able to sell treasury shares for cash without having to offer them to existing shareholders first. Therefore, the Directors' authority to allot equity securities for cash on a non-pre-emptive basis pursuant to this special resolution will also cover the sale for cash of any shares held by the Company as treasury shares.

Although there is currently no intention to make use of this authority, its renewal would provide the Directors with continued flexibility to act in the best interests of shareholders when opportunities arise and, in respect of treasury shares, also gives the Company the ability to sell treasury shares quickly and cost-effectively. The authority sought is limited to an aggregate nominal amount of £361,907, which is 5% of the issued share capital as at 18 June 2010. In relation to the exercise of this authority, the Directors would have regard to the guidelines published by the investment committees of the Association of British Insurers and the National Association of Pension Funds. This authority will last until the conclusion of next year's Annual General Meeting.

Resolution 9 – Authority for purchase of own shares by the Company

At the last Annual General Meeting held on 28 July 2009, shareholders passed a resolution authorising the Directors to make market purchases of the Company's own shares. Although no such purchases have been made, the Directors consider it appropriate for the authority (which expires at the forthcoming Annual General Meeting) to be renewed and undertake that the authority will only be exercised when they consider that such a purchase would result in an increase in expected earnings per share and would be in the best interests of shareholders. The Directors have no present intention of using such authority, but this position will be kept under review. The authority sought by special resolution will continue until the next following Annual General Meeting (or, if sooner, 28 October 2011) and will limit total purchases to 14,476,286 ordinary shares, corresponding to 10% of the Company's issued share capital as at 18 June 2010.

The price paid for any ordinary share purchased under such authority must not be less than the nominal value of such share, namely five pence, and must not exceed 105% of the average middle market price of the Company's ordinary shares as shown in the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the purchase.

Under the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the 'Regulations'), the Company is allowed to hold its own shares purchased in the market in treasury as an alternative to cancelling them. Shares held in treasury may subsequently be sold for cash, transferred for the purposes of employee share schemes, or cancelled.

As at 18 June 2010, the latest practical date prior to the publication of this document, the number of ordinary shares which would be issued upon full exercise of all outstanding options to subscribe for shares in the Company was 7,517,827. This represents approximately 5.19% of the existing issued share capital and approximately 5.77% of the issued share capital as it would be if the proposed authority to purchase ordinary shares were to be utilised in full.

Resolution 10 – Adoption of new Articles of Association

This special resolution will approve the adoption of new Articles of Association of the Company in order to update the Company's existing Articles of Association to take account of changes in English company law effected by the Companies Act 2006.

A summary of the principal differences between the Company's existing Articles of Association and the proposed new Articles of Association is set in the Appendix on pages 7 to 9 of this document.

The proposed new Articles of Association of the Company are available for inspection in accordance with note 6 of the Notice of the Annual General Meeting.

Resolution 11 – Political donations

Shareholders will recall that, as a result of the wide definitions originally introduced by the Political Parties, Elections and Referendums Act 2000, an appropriate precautionary resolution has been passed at each of the Annual General Meetings held since 2002 in order to avoid inadvertent infringement of the relevant legislative provisions, which are now contained in the Companies Act 2006 ('the Act'). While the Board does not believe that the Company has made any 'political donations' or incurred any 'political expenditure' pursuant to any of those resolutions, the authority granted by the resolution passed in 2009 expires at the forthcoming Annual General Meeting and the Board is therefore now seeking shareholders' authority by an ordinary resolution for the Company and its subsidiaries to make 'political donations' (to political parties or independent electoral candidates and, separately, to political organisations other than political parties) and incur 'political expenditure' (within the meaning of the Act), in each of these three cases up to an aggregate amount of £50,000, during the period up to the next following Annual General Meeting (or, if earlier, 28 October 2011). Shareholders should be aware that it is not the policy of the Company to make political donations or incur political expenditure (in each case as commonly understood) anywhere in the world and that the Directors intend that this policy will continue whether or not resolution 11 is passed.

Report and Accounts

Copies of the 2010 Report and Accounts may be obtained from the Company Secretary, by application to the registered office of the Company, or online from the Company's website at www.scapa.com

Action required

You will find with this document a Form of Proxy for use in respect of your ordinary shares at the Annual General Meeting. A proxy may also be appointed, if you are a member of CREST, by using the CREST electronic proxy appointment service, further details of which are set out in note 3 to the Notice of Meeting, which can be found on pages 4 to 6 of this document.

Whether or not you are able to attend the meeting, you are requested to appoint a proxy either by completing and returning the enclosed Form of Proxy, or through the CREST electronic proxy appointment service, in either case prior to the relevant deadline specified in note 2 or note 3, as applicable, to the Notice of Meeting. The appointment of a proxy will not prevent you from attending, speaking and voting in person at the meeting should you subsequently decide that you wish to do so.

Recommendations

The Board consider the resolutions which are set out in the Notice of Meeting on pages 4 to 6 of this document, and which are to be proposed at the forthcoming Annual General Meeting, to be in the best interests of the Company and of shareholders as a whole and unanimously recommend shareholders to vote in favour of all such resolutions, as they intend to do in respect of their own beneficial holdings.

Yours faithfully

J A S Wallace
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2010 Annual General Meeting of Scapa Group plc will be held at the offices of Addleshaw Goddard LLP at 100 Barbirolli Square, Manchester M2 3AB on Wednesday, 28 July 2010 commencing at 2.00pm to consider and, if thought fit (and subject, in the case of resolution 8, to the passing of resolution 7), pass the following resolutions which will be proposed in the case of resolutions 1 to 7 and 11, as ordinary resolutions and, in the case of resolutions 8 to 10, as special resolutions:

- 1 To receive the Company's Report and Accounts for the year ended 31 March 2010.
- 2 To approve the Directors' Remuneration Report for the year ended 31 March 2010.
- 3 To re-elect as a Director Mr H R Chae (who was appointed as a Director in September 2010).
- 4 To re-elect as a Director Mr J A S Wallace, who retires in accordance with the Company's Articles of Association.
- 5 To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
- 6 To authorise the Directors to fix the remuneration of the auditors.
- 7
 - (a) That the Directors are generally and unconditionally authorised within Section 551 of the Companies Act 2006 ('the Act') to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate amount of £2,412,714; and further
 - (b) That the Directors are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot equity securities (within the meaning of Section 560(1) of the Act) up to an aggregate nominal amount of £2,412,714 in connection with an offer of securities by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as may be) to their holdings and subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional entitlements or any other matter whatsoever during the period from the date of the passing of this resolution to the conclusion of the next Annual General meeting of the Company and so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or to convert any security into shares in pursuance of such offers or agreements as if the authority given by this resolution had not expired.
- 8 That, subject to the passing of resolution 7 set out in the Notice of meeting of which this resolution is a part, the Directors are empowered pursuant to Sections 570 and 573 of the Companies Act 2006 ('the Act') to allot equity securities (within the meaning of Section 560 of the Act) for cash, pursuant to the authority conferred by resolution 7 set out in the Notice of Meeting of which this resolution is a part, as if Section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities (but in the case of the authority granted under paragraph (b) of resolution 7, by way of rights issue only) in connection with an offer of securities, open for acceptance for a period fixed by the Directors, by way of rights to holders of ordinary shares and other persons entitled to participate in such offer in proportion (as nearly as may be) to their holdings (or, as appropriate, to the number of shares which such other persons are deemed to hold) on a record date fixed by the Directors, subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange in any territory or in connection with fractional entitlements or any other matter whatsoever; and
 - (b) pursuant to the terms of any share scheme for employees approved by members in general meeting; and
 - (c) otherwise than pursuant to sub-paragraphs (a) and (b) above, up to an aggregate nominal value of £2,412,714 during the period from the date of passing of this resolution to the conclusion of the next Annual General meeting of the Company, and so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the power had not expired.

This power applies in relation to a sale of treasury shares which is included as an allotment of equity securities by virtue of Section 560(2) of the Act as if all references in this resolution to any such allotment included any such sale and as if in the first paragraph of this resolution the words 'pursuant to the authority conferred by resolution 7 set out in the Notice of Meeting of which this resolution is a part' were omitted in relation to such sale.
- 9 That the Company be generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 ('the Act') to make one or more market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares in the capital of the Company, provided that:
 - (a) the maximum number of ordinary shares hereby authorised to be purchased is 14,476,286;
 - (b) the minimum price which may be paid for any share (excluding expenses) is 5p;
 - (c) the maximum price per share at which ordinary shares may be purchased (excluding expenses) shall not be more than 105% of the average of the middle market quotations for an ordinary share as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the contractual date of purchase of such share;

- (d) the authority to purchase hereby conferred shall, unless previously renewed, varied or revoked, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 28 October 2011, whichever is earlier; and
 - (e) the Company may prior to the expiry of such authority make a contract or contracts to purchase ordinary shares under the authority hereby conferred which will or may be executed wholly or partly after the expiry of such authority.
- 10 That the regulations produced to the meeting (and, for the purpose of identification, initialled by the Chairman of the meeting) be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.
- 11 That in accordance with Sections 366 and 367 of the Companies Act 2006 ('the Act') the Company and any company which is or becomes a subsidiary of the Company during the period to which this resolution relates be authorised:
- (a) to make political donations to political parties or independent electoral candidates, as defined in Sections 363 and 364 of the Act, not exceeding £50,000 in total; and
 - (b) to make political donations to political organisations other than political parties, as defined in Sections 363 and 364 of the Act, not exceeding £50,000 in total; and
 - (c) to incur political expenditure, as defined in Section 365 of the Act, not exceeding £50,000 in total,
- during the period beginning with the date of the passing of this resolution and ending on 28 October 2011, or, if sooner, at the conclusion of the next Annual General Meeting of the Company.

By order of the Board
M R Stirzaker, BA, Solicitor
Company Secretary
18 June 2010

Registered Office:
997 Manchester Road
Ashton-under-Lyne
OL7 0ED
Registered in England
No: 826179

Notes

- 1 In accordance with Regulation 41(1) of the Uncertificated Securities Regulations 2001 the Company specifies that, to have the right to attend and vote at the meeting or any adjournment thereof (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the Company's register of members by no later than 6.00pm on the day being two days before the date of the meeting or any such adjournment.
- 2 A member who is entitled to attend, speak and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not also be a member. A Form of Proxy is enclosed. To be valid, Forms of Proxy must be lodged with Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours before the time appointed for the meeting. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. To appoint more than one proxy, you may photocopy the proxy form. Please indicate the proxy holder's name and the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. You may not appoint more than one proxy to exercise the rights attached to any one share. If you wish to appoint the Chairman as one of your multiple proxies, simply write 'the Chairman of the Meeting'. The appointment of one or more proxies does not preclude a member from attending, speaking and voting in person at the meeting.
- 3 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. 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 or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited ('Euroclear') 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 Company's agent (IDRA10) not less than 48 hours before the time appointed for the 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 Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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.

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.

- 4 In the absence of any indication as to how he is to vote on any resolution, the proxy will (whether he is appointed by the lodging of a Form of Proxy or through the CREST electronic proxy appointment service) vote for or against such resolution, or will abstain, at his discretion, as in each case he is entitled to do in respect of any procedural matters arising at the meeting.
- 5 Arrangements will be put in place at the meeting in order to facilitate voting by representatives of members which are corporations ("corporate representatives" and "corporate shareholders") so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all its other corporate representatives at the meeting, those corporate representatives will be able to give voting directions to the Chairman in respect of the poll and the Chairman will be able to vote (or withhold a vote) on the poll as corporate representative in accordance with those directions, and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, all of them will be able to nominate one of their number as a "designated" corporate representative to vote on a poll for them all and the others will be able to give voting directions to the designated corporate representative accordingly. Further information about this procedure is set out in the Institute of Chartered Secretaries and Administrators' January 2008 guidance note on "Proxies and Corporate Representatives at General Meetings" (accessible at www.icsa.org.uk).
- 6 Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours (Saturdays, Sundays and public holidays in the UK excepted) from the date of this notice until the conclusion of the 2010 Annual General Meeting and will also be available at the place of the meeting for at least 15 minutes prior to, and during, the meeting:
 - 1 the existing Articles of Association of the Company;
 - 2 the proposed new Articles of Association of the Company; and
 - 3 copies of the service contracts of the Executive Directors of the Company and of the terms and conditions of appointment of the Non-Executive Directors of the Company.

APPENDIX

EXPLANATORY NOTES OF PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

1 General

The final provisions of the Companies Act 2006 came into force on 1 October 2009 necessitating certain changes to the Company's Articles of Association to bring them into line with these changes. In addition, The Companies (Shareholders' Rights) Regulations 2009, which implement the Shareholders' Rights Directive in the UK, came into force on 3 August 2009 and required certain further changes to the provisions of the Companies Act 2006, and consequently the Company's Articles of Association, dealing with resolutions and meetings.

The principal changes introduced in the New Articles are summarised below. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 or conform the language of the New Articles with that used in the new default articles for public companies produced by what was then the Department for Business, Enterprise and Regulatory Reform (*Public Model Articles*) are not noted.

2 Model Articles

The Public Model Articles have been prescribed for public companies incorporated after 1 October 2009 to replace the previous Table A which formed the basis of most companies' articles of association. The format of the new Model Articles is intended to mirror the order of, and reflect, the provisions of the Companies Act 2006. The New Articles have been drafted based on the form of the Public Model Articles.

3 Articles which duplicate statutory provisions

Provisions in the Current Articles which replicate provisions in the Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution. For ease of reference, certain provisions dealing principally with the calling of, and procedures to be followed at, general meetings and notices have been retained and amended to bring them into line with the Companies Act 2006.

4 The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum of Association and the Current Articles. The Company's Memorandum contains, amongst other things, the objects clause which sets out the scope of the activities that the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares that each subscriber has agreed to take in that company. Under the Companies Act 2006 the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in that company's articles of association but a company can remove these provisions by special resolution.

Further the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason, the Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's Articles of Association as of 1 October 2009.

5 Change of name

Currently, a company can only change its name by special resolution. Under the Companies Act 2006, a company will be 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.

6 Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares that they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

7 Redeemable shares

At present, if a company wishes to issue redeemable shares, it must include in its articles the terms and manner of redemption. The Companies Act 2006 enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company 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.

8 Authority to purchase own shares, consolidate and sub-divide shares and reduce share capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles contain these enabling provisions. Under the Companies Act 2006, a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly, the relevant enabling provisions have been removed in the New Articles.

9 Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of transfers. Under the Companies Act 2006, share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement and has accordingly been removed in the New Articles.

10 Directors' interests

The details of the provisions dealing with any conflicts that a Director may have between his interests and duty as a Director owed to the Company and his personal interests, and how these may be authorised by the other independent members of the Board, have been slightly expanded. They now confirm that a Director may, subject to the terms of any such authorisation and to the Director having first declared any interest to the Board in accordance with the Companies Act 2006, be a party to a contract or arrangement with the Company or in which the Company is interested and, as in the Current Articles, will not be obliged to account to the Company for any profit or other benefit he obtains from the contract or arrangement in question.

11 Vacation of office by Directors

The Current Articles specify the circumstances in which a Director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the Public Model Articles.

12 Votes of members

Under the Companies Act 2006, multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The New Articles reflect this change.

13 Voting by proxies on a show of hands

The Companies Act 2006 now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member and has received instruction(s) to vote both for and against a resolution, in which case it will have one vote for and one vote against the resolution on a show of hands. It is also open to a company to provide in its articles for circumstances where a proxy appointed by more than one member has received instruction(s) to use its discretion when voting on a resolution and wants to exercise this so as to vote both for and against the resolution: in these circumstances, a company can also provide for the proxy to have one vote for, and one against, the resolution on a show of hands. The New Articles have been drafted along these lines.

14 Voting by corporate representatives

The Companies (Shareholders' Rights) Regulations 2009 have amended the Companies Act 2006 to enable multiple corporate representatives appointed by the same corporate member to vote in different ways on a show of hands and on a poll. The New Articles contain provisions which reflect these amendments.

15 Calling a poll

The Current Articles provide that, amongst others, at least five members having the right to vote on a resolution are required to call a poll on a resolution. In line with the provisions of the Public Model Articles, the New Articles have been amended to provide that a poll may now be called by, amongst others, two or more members or by the Directors.

16 Use of seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the Companies Act 2006, such authority will no longer be required. Accordingly, the relevant authorisation has been removed in the New Articles.

The New Articles provide an alternative option for execution of documents. Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or by two directors or such other person or persons as the directors may approve.

17 Provisions for employees on cessation of business

The Companies Act 2006 provided that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person 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. The New Articles accordingly authorise the Directors to exercise this power.

18 Indemnity and insurance for directors

Companies are now permitted by the Companies Act 2006 to indemnify and to purchase insurance for directors of a company that is a trustee of an occupational pension scheme against liability incurred in connection with the company's (or any associated group company's) activities as trustee of that scheme. The provisions dealing with indemnity and insurance for directors in the New Articles have been updated accordingly.

19 Uncertificated shares

Provisions have been included in the New Articles to provide for the circumstances where the Company issues shares in uncertificated form (i.e. through CREST).