

This document is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

Notice of Annual General Meeting

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Notice of the Annual General Meeting of the Company to be held at 11 am on Monday 28th April 2008 at the Royal Aeronautical Society, 4 Hamilton Place, London W1J 7BQ is set out at the end of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received by 11 am on Saturday 26th April 2008.

The Davis Service Group Plc
(incorporated and registered in England and Wales under number 01480047)

Notice of Annual General Meeting

Registered Office:
4 Grosvenor Place
London
SW1X 7DL
17th March 2008

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting ("AGM") which we are holding at 11 am on Monday 28th April 2008 at the Royal Aeronautical Society, 4 Hamilton Place, London W1J 7BQ. The formal Notice of Annual General Meeting is set out on page 2 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this document and return it to our registrars, Equiniti Limited, as soon as possible. They must receive it by 11 am on 26th April 2008. Alternatively, you may register your proxy appointment and voting instructions electronically via the internet. Please see page 4 (note 3) and your proxy form for details.

Final dividend

Shareholders are being asked to approve a final dividend of 13.3 pence per ordinary share for the year ended 31st December 2007. Following approval of the recommended final dividend, this will be paid on 6th May 2008 to all ordinary shareholders who were on the register of members on 18th April 2008.

New Articles of Association

We are also asking shareholders to approve the adoption of new Articles of Association primarily to reflect the provisions of the Companies Act 2006. An explanation of the main changes between the proposed and the existing Articles of Association is set out in the Appendix on pages 7 and 8 of this document.

Explanatory notes on all the business to be considered at this year's AGM appear on pages 5 and 6 of this document.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Thank you for your continued support for the Company and I look forward to meeting you at the AGM.

Yours sincerely,



C R M Kemball Chairman
17th March 2008

The Davis Service Group Plc
(incorporated and registered in England and Wales under number 01480047)
Registered Office: 4 Grosvenor Place, London SW1X 7DL

Inspection of documents

The following documents will be available for inspection at the registered office of the Company from 17th March 2008 until the time of the AGM and at the Royal Aeronautical Society, 4 Hamilton Place, London W1J 7BQ from 15 minutes before the AGM until it ends:

- Copies of the executive directors' service contracts.
- Copies of letters of appointment of the non-executive directors.
- A copy of the proposed new Articles of Association of the Company, and a copy of the existing Articles of Association.

Notice of Annual General Meeting

This year's Annual General Meeting will be held at 11 am on Monday 28th April 2008 at the Royal Aeronautical Society, 4 Hamilton Place, London W1J 7BQ. You will be asked to consider and pass the resolutions below. Resolutions 10 to 12 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Ordinary Resolutions

Report and Accounts

1. To receive and adopt the Annual Report and Accounts for the year ended 31st December 2007.

Remuneration Report

2. To approve the Report on Directors' Remuneration for the year ended 31st December 2007.

Dividend

3. To approve the payment of a final dividend of 13.3 pence per ordinary share of 30 pence each in the capital of the Company.

Re-election of directors

4. To re-elect C R M Kemball as a director.
5. To re-elect P G Rogerson as a director.
6. To re-elect P H Utnegaard as a director.
7. To re-elect J D Burns as a director.

Reappointment of auditors and auditors' remuneration

8. To reappoint PricewaterhouseCoopers LLP as auditors to the Company to hold office until the conclusion of the next general meeting at which accounts are laid before members and to authorise the directors to determine their remuneration.

Authority to allot shares

9. That the Board be and is hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £17,137,000, such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (unless previously revoked or varied by the Company in general meeting) save that 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 directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolutions

Disapplication of pre-emption rights

10. That, subject to the passing of the previous resolution, the Board be and 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) for cash pursuant to the authority conferred by the previous resolution and/or, where such allotment constitutes an allotment of equity securities by virtue of Section 94 (3A) of the said Act, 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:
 - (i) to the allotment of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of ordinary shareholders (excluding any shareholders holding shares as treasury shares) where the equity securities respectively attributable to the interests of such ordinary shareholders on a fixed record date are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in any overseas territory, the requirements of any regulatory body or any stock exchange or any other matter whatsoever; and
 - (ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £2,570,000, and shall (unless previously revoked or varied by the Company in general meeting) expire at the conclusion of the next Annual General Meeting of the Company 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 directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Purchase of own shares

11. That the Company be and is hereby unconditionally and generally authorised for the purpose of Section 166 of the Companies Act 1985 to make market purchases (within the meaning of Section 163(3) of the said Act) of ordinary shares of 30 pence each in the capital of the Company provided that:
- (i) the maximum number of ordinary shares which may be purchased is 17,137,000 ordinary shares;
 - (ii) the minimum price which may be paid for each ordinary share is 30 pence;
 - (iii) the maximum price which may be paid for each share is an amount equal to 105% of the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased, in both cases exclusive of expenses paid; and
 - (iv) the authority conferred by this resolution shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution or the date falling 18 months after the date of this resolution, whichever is the earlier (except in relation to a purchase of shares the contract for which was concluded before such date and which would or might be executed wholly or partly after such date).

Articles of Association

12. That 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 Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

17th March 2008

By order of the Board

D A Lawler Company Secretary

Registered Office: 4 Grosvenor Place, London SW1X 7DL
Registered in England and Wales No. 01480047

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, you should telephone +44 (0)20 7259 6663 and ask to speak to the Company Secretarial Department.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZL no later than 11 am on 26th April 2008.
3. You may, if you wish, register the appointment of a proxy or voting instructions for the meeting electronically by logging on to www.sharevote.co.uk. You will need your Reference Number (that is the 27-digit number printed below your name and address on the accompanying form of proxy). Full details of the procedure are given on that website. The proxy appointment and/or voting instructions must be received by Equiniti Limited not later than 11 am on 26th April 2008. Please note that any electronic communication sent to the Company or the Registrars that is found to contain a virus will not be accepted. The use of the internet service in connection with the Annual General Meeting is governed by Equiniti Limited's conditions of use on the website, www.sharevote.co.uk, which may be read by logging on to that site.
4. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.
7. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6 pm on 26th April 2008 (or, in the event of any adjournment, 6 pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. As at 6th March 2008 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 170,352,754 ordinary shares (excluding shares held in treasury), carrying one vote each. Therefore, the total number of voting rights in the Company as at 6th March 2008 is 170,352,754.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.
10. 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 EUROCLEAR's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 7RA01) by 11 am on 26th April 2008. 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 Application Host) from which the issuer'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.
11. 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 message. 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, to procure that his/her 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. 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.
13. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting 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 of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) 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, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.
14. An announcement will be made if there is a fire warning or other emergency. Emergency exits are marked clearly throughout the venue. In the case of a medical emergency please contact any steward for assistance.

The notes on the following pages give an explanation of the proposed resolutions.

Explanatory notes to the Notice of Annual General Meeting

Resolutions 1 to 9 are proposed as Ordinary Resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 10 to 12 are proposed as Special Resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 2: Remuneration Report

The Directors' Report on remuneration is set out in full on pages 38 to 41 of our Annual Report and Accounts.

Resolution 3: Payment of a final dividend

If Resolution 3 is approved by shareholders the final dividend for the year ended 31st December 2007 will be paid on 6th May 2008 to shareholders whose names are on the Register of Members at close of business on 18th April 2008.

Resolutions 4 to 6: Re-election of directors retiring by rotation

The Company's Articles of Association require one-third of the directors, excluding those appointed by the Board since the last AGM, to retire by rotation each year and no director may serve beyond three years without being re-elected by shareholders.

The Chairman has confirmed that, following formal performance evaluation, both Philip Rogerson and Per Utnegaard continue to perform effectively and demonstrate commitment to the role including commitment of time for Board and committee meetings and their other duties.

The Senior Independent Non-Executive Director has confirmed that, following formal performance evaluation, the Board is satisfied that Christopher Kemball remains independent in character and reasoning and that there are no situations that are likely to affect his good judgement. He continues to carry out his role effectively and displays commitment to the role of Chairman.

Further information about Christopher Kemball, Philip Rogerson and Per Utnegaard is given on page 33 of the 2007 Annual Report and Accounts.

Resolution 7: Re-election of J D Burns as a director

John Burns was re-elected as an independent director at last year's AGM and, in accordance with the requirements of the Combined Code for directors who have served more than nine years since first being elected, submits to annual re-election by shareholders.

John Burns was first elected to the Board in June 1987. The Board is satisfied that he is independent in character and judgement and that there are no relationships or circumstances that are likely to, or could appear to, affect his judgement.

The Chairman has confirmed that, following formal performance evaluation, John Burns continues to perform effectively and demonstrates commitment to the role, including commitment of time for Board and committee meetings and his other duties.

Further information about John Burns is given on page 33 of the 2007 Annual Report and Accounts.

Resolution 8: Reappointment of auditors and auditors' remuneration

The auditors are required to be reappointed at each Annual General Meeting at which accounts are presented. The Board, on the recommendation of the Audit Committee, which has evaluated the effectiveness and independence of the external auditors, is proposing the reappointment of PricewaterhouseCoopers LLP.

Resolution 9: Authority to allot shares

Under Section 80 of the Companies Act 1985, the directors are, subject to certain exceptions, unable to allot relevant securities without the authority of the shareholders in general meeting. Relevant securities are defined in that Act to include the Company's ordinary shares or securities convertible into the Company's ordinary shares.

Resolution No. 9 is proposed as an ordinary resolution to authorise the directors to allot ordinary shares up to an aggregate nominal value of £17,137,000, representing approximately one third of the share capital of the Company in issue (excluding shares held in treasury) as at 29th February 2008. At that date, the Company held 1,025,000 shares in treasury, representing 0.598% of its issued ordinary share capital (including shares held in treasury). The directors' authority will be valid until the conclusion of the next Annual General Meeting.

This authority complies with the guidelines issued by institutional investors. The directors have no immediate plans to make use of this authority.

Explanatory notes to the Notice of Annual General Meeting continued**Resolution 10: Disapplication of pre-emption rights**

Under Section 89 of the Companies Act 1985, when new shares are allotted or treasury shares are sold for cash, they must first be offered to existing shareholders pro rata to their holdings. This special resolution renews, until the conclusion of the next Annual General Meeting, the authorities of the directors to (a) allot shares of the Company in connection with a rights issue or other pre-emptive offer; and (b) otherwise allot shares of the Company, or sell treasury shares for cash, as if the pre-emption rights of Section 89 did not apply.

The authority sought is limited to an aggregate nominal amount of £2,570,000 (representing, in accordance with institutional investor guidelines, approximately 5% of the share capital in issue (including shares held in treasury), as at 29th February 2008. 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 arose and, in respect of treasury shares, also give the Company the ability to sell treasury shares quickly and cost-effectively.

Resolution 11: Purchase of own shares

Resolution No. 11 is a special resolution seeking to renew the Company's authority to make market purchases of its ordinary shares, limited to 17,137,000 shares of 30 pence each (representing approximately 10% of the ordinary share capital of the Company in issue). The Board regards the ability to repurchase issued shares in suitable circumstances as an important part of the financial management of the Company.

The maximum price to be paid on any occasion will be 105% of the average of the closing middle market price taken from the London Stock Exchange Daily Official List for each of the five business days preceding the purchase and the minimum price will be 30 pence (excluding expenses). This authority will expire on the date of the next Annual General Meeting, or, if earlier, 27th October 2009.

Any shares purchased under the renewed authority will either be cancelled or held in treasury. Treasury shares are shares in the Company which are owned by the Company itself. It is the intention of the Company to hold some or all of the shares which are repurchased under this authority as treasury shares within the limits allowed by law. This would allow the Company to re-issue the shares held in treasury quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base. On 30th October 2007 the Company purchased 200,000 ordinary shares for treasury at 532p for a combined cost of £1.06 million. As at 29th February 2008, the Company held 1,025,000 shares in treasury, representing 0.602% of the issued ordinary share capital of the Company excluding shares held in treasury.

The Board is committed to managing the Company's capital effectively and the directors keep under review the option of buying back the Company's shares. The directors confirm that they will only purchase the Company's shares from the market if they believe it is in the best interests of shareholders generally and that to do so would result in an increase in the current year's earnings per share. The Board is making no recommendation as to whether shareholders should sell their shareholding in the Company.

The Company has no warrants in issue in relation to its shares and no options to subscribe for its shares outstanding.

Resolution 12: Adoption of new Articles of Association

It is proposed to adopt new Articles of Association (the "**New Articles**") in order to update the Company's current Articles of Association (the "**Current Articles**") primarily to take account of changes in English company law brought about by the parts of the Companies Act 2006 that have been brought into force to date. The Company is also proposing changes to its Current Articles to bring clearer language into the Articles.

The principal changes introduced in the New Articles are summarised in the Appendix. 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 have not been noted in the Appendix. The New Articles and the Current Articles are available for inspection, as noted on page 1 of this document.

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

1. Articles which duplicate statutory provisions

Provisions in the Current Articles which replicate provisions contained 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. Certain examples of such provisions include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

2. Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being removed as the concept of extraordinary resolutions has not been retained under the Companies Act 2006.

3. Variation of class rights

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the Companies Act 2006. The relevant provisions have been amended in the New Articles such that the reference to an "extraordinary" resolution has been replaced by a "special" resolution, and the necessary quorum for a variation of class rights meeting is raised from one to two persons (holding at least one-third of the issued shares of the class in question).

4. Convening general meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being removed in the New Articles because the relevant matters are provided for in the Companies Act 2006. In particular, a general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required and the chairman of a general meeting no longer has a casting vote.

5. Fractions

The New Articles reflect the provisions of the Listing Rules in relation to any fraction of shares which result from a share consideration or otherwise. If a shareholder's entitlement includes a fraction which does not exceed £5.00 in value (net of expenses), the directors have authority to sell it for the Company's benefit. In all other circumstances, the fraction will continue to be sold for the benefit of the shareholder, as under the Current Articles.

6. Votes of members

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the Companies Act 2006 so that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after it was demanded, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. 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 all of these new provisions and also give the directors discretion, when calculating the time limits, to exclude weekends and bank holidays.

7. Age of directors on appointment

The Current Articles require that if a director has attained the age of 70 years or more, his age must be disclosed in the notice convening a meeting at which the director is proposed to be elected or re-elected. Such provision could now fall foul of the Employment Equality (Age) Regulations 2006 and so has been removed from the New Articles.

8. Conflicts of interest

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act, from 1st October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the Articles of Association contain a provision to this effect. The Companies Act 2006 also allows the Articles of Association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position. The authority for directors to authorise conflicts or potential conflicts will only apply from the date that the statutory duty on directors to avoid conflicts arises (1st October 2008). Prior to this date, any conflicts that arise will be dealt with in a similar way to the current position, in accordance with Article 91(E) and following.

Explanatory notes of principal changes to the Company's Articles of Association continued

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers to authorise conflicts are operated effectively.

9. Notice of Board meetings

Under the Current Articles, when a director is abroad he can request that notices of directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision has been removed, as modern communications mean that there may be no particular obstacle to giving notice to a director who is abroad.

10. Records to be kept

The provision in the Current Articles requiring the Board to keep accounting records has been removed as this requirement is contained in the Companies Act 2006.

11. Distribution of assets otherwise than in cash

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions have been removed in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

12. Provision for employees on cessation of business

The Companies Act 2006 provides that the powers of the directors to make provision for a person employed or formerly employed by the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company, may be exercised by the directors or by the Company in general meeting. However, if the power is to be exercised by the directors, the Articles of Association must include a provision to this effect. The New Articles provide that the directors may exercise this power.

13. General

Generally, the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Enterprise and Regulatory Reform.

