



Braemar Shipping Services plc
Circular to Shareholders
Incorporating Notice of Annual General Meeting

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Braemar Shipping Services plc (the "Company"), please send this document, together with any accompanying documents, 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.

Notice of the annual general meeting of the Company to be held at 12 noon on 18th June 2008 at The Gloucester Suite, Radisson SAS Portman Hotel, 22 Portman Square, London W1H 7BG is set out in part 2 of this document.

Each member of the Company is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him, or (as the case may be) to a different £10, or multiple of £10 of stock held by him.

A form of proxy for use at the annual general meeting is enclosed. To be valid, the form of proxy should be completed, signed and returned in accordance with the instructions printed on it to Company's registrar, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU soon as possible but in any event so as to arrive no later than 12 noon on 16th June 2008.

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Part 1

Letter from the Chairman

To the shareholders of Braemar Shipping Services plc
Notice of Annual General Meeting

Braemar Shipping Services plc
35 Cosway Street
London NW1 5BT

23 May 2008

Dear Shareholder,

I am pleased to be writing to you with details of the annual general meeting of Braemar Shipping Services plc (the "Company") to be held at 12 noon on 18th June 2008 at The Gloucester Suite, Radisson SAS Portman Hotel, 22 Portman Square, London W1H 7BG (the "AGM"). The formal notice of AGM is set out in part 2 of this document ("AGM Notice").

If you would like to vote on the resolutions but cannot come to the AGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM by using one of the methods set out in the notes to the AGM Notice.

The purpose of this letter is to explain certain elements of the business to be considered at the meeting. More detailed explanatory notes for resolution 9, 10, 11 and 12 are set out in part 3 of this document.

Resolution 1 – To receive the annual report and accounts

The annual report and accounts of the Company for the financial year ended 29 February 2008 will be presented to the meeting. The annual report and accounts are included with this document.

Resolution 2 – Remuneration report

It is a requirement of all listed companies to put their directors' remuneration report to an advisory shareholder vote. As the vote is advisory it does not affect the actual remuneration paid to any individual director. The directors' remuneration report is set out in full in the annual report of the Company.

Resolution 3 – Final dividend

A final dividend of 15 pence per ordinary share for the financial year ended 29 February 2008 is recommended by the directors for payment by the Company. If shareholders of the Company approve the recommended final dividend, this will be paid on 25 July 2008 to all ordinary shareholders who were on the register of members of the Company at the close of business on 27 June 2008.

Resolutions 4, 5 and 6 – Re-appointment of directors

Resolutions 4, 5 and 6 deal with re-appointment of Richard Agutter, John Denholm and David Moorehouse as non-executive directors of the Company. Biographies of each of these persons can be found on page 12 and 13 of the Annual Report. The Board has confirmed that, following a performance review, all directors standing for re-appointment continue to perform effectively and demonstrate commitment to their role.

Resolutions 7 and 8 – Re-appointment of auditors

Resolution 7 relates to the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors to hold office until the next annual general meeting of the Company. Resolution 8 authorises the directors to set their remuneration. The directors have delegated the responsibility of setting the auditors' remuneration to the audit committee of the Board.

Resolution 9 – Allotment of share capital

Ordinary shares in the Company were issued recently in connection with the acquisition of Steege Kingston Limited. The Board considers it appropriate that the Company should have the maximum authority to allot shares. Accordingly a resolution grants authority to the Board to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £697,460 which (excluding ordinary shares to be issued under options granted under any share option plan of the Company) represents approximately one third of the Company's issued ordinary share capital as at 22 May 2008 (the latest practicable date prior to publication of this letter). It is proposed that such authority expire on the date five years from the date of the resolution granting the authority.

The directors have no present intention of exercising this authority.

Resolution 10 – Disapplication of statutory pre-emption rights

Resolution 10 will empower the directors to allot ordinary shares in the capital of the Company for cash on a non pre-emptive basis: (a) in connection with a rights issue; and (b) (otherwise than in connection with a rights issue) up to a maximum nominal value of £104,619, representing approximately five per cent of the issued ordinary share capital of the Company as at 22 May 2008 (the latest practicable date prior to publication of this letter).

Resolution 11 – Authority to purchase own shares

Resolution 11 gives the Company authority to buy back its own ordinary shares in the market as permitted by the Companies Act 1985. The authority limits the number of shares that could be purchased to a maximum of 2,092,380 (representing approximately 10 per cent of the Company's issued ordinary share capital as at 22 May 2008 (the latest practicable date prior to publication of this letter) and sets minimum and maximum prices. This authority will expire at the conclusion of the annual general meeting of the Company in 2009.

The directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The authority will be exercised only if the directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares. The Company is only permitted to hold a maximum of up to 10% of its issued share capital in treasury.

Resolution 12 – Adoption of new articles

It is proposed in resolution 12 of the AGM Notice to update the Company's articles of association primarily to take account of changes in company law brought about by the coming into force of certain provisions of the Companies Act 2006 (the "2006 Act").

The amendments proposed reflect the changes brought about by the 2006 Act which are either already in force or which are to come into effect on or before 1 October 2008. As the 2006 Act will not be fully in force until October 2009, it is not yet possible to reflect all of the 2006 Act changes. As such, it is anticipated that shareholders will be asked to approve further changes to the articles of association at the annual general meeting of the Company in 2009. The changes proposed by resolution 12 are summarised in part 3 of this document.

Recommendation

The Board considers the resolutions will 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 2,988,953 shares representing approximately 14 per cent of the existing issued ordinary share capital of the Company.

Yours sincerely,

Sir Graham Hearne
Chairman
Braemar Shipping Services plc

Part 2

Notice of Annual General Meeting

Braemar Shipping Services plc

Notice is given that the annual general meeting of Braemar Shipping Services plc (the "Company") will be held at The Gloucester Suite, Radisson SAS Portman Hotel, 22 Portman Square, London W1H 7BG on 18th June 2008 at 12 noon to transact the business referred to in this notice. Resolutions 1 to 8 (inclusive) will be proposed as ordinary resolutions. Resolutions 9 to 12 (inclusive) will be proposed as special resolutions:

1. To receive the report of the directors, the accounts and the auditor's report on the accounts and on the auditable part of the directors' remuneration report, for the financial year ended 29 February 2008.
2. To receive and approve the directors' remuneration report for the financial year ended 29 February 2008.
3. To declare a final dividend for the financial year ended 29 February 2008 of 15 pence per share.
4. To re-elect Richard Agutter as a director of the Company.
5. To re-elect John Denholm as a director of the Company.
6. To re-elect David Moorhouse as a director of the Company.
7. To re appoint PricewaterhouseCoopers LLP as auditors to the Company to hold office from the conclusion of the meeting to the conclusion at the next meeting at which accounts are laid before the Company.
8. To authorise the directors of the Company to determine the remuneration of PricewaterhouseCoopers LLP as auditors of the Company.
9. THAT the directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (as defined in section 80 of the Companies Act 1985 (the "1985 Act")) up to an aggregate nominal amount of £697,460 provided that this authority shall expire five years from the date this resolution is passed, except 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 any such offer or agreement as if the authority conferred by this resolution had not expired and that this authority shall be in substitution for all previous authorities conferred upon the directors pursuant to section 80 of the Act but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.
10. THAT subject to the passing of resolution number 9, the directors be and they are hereby empowered, pursuant to section 95 of the 1985 Act, to allot equity securities (as defined in section 94 of the 1985 Act) wholly for cash pursuant to the authority conferred by resolution number 9 as if section 89(1) of the 1985 Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (a) in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any other legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
 - (b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate of £104,619,
and shall expire five years from the date this resolution is passed, 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 by this resolution had not expired.
11. THAT the Company be and is hereby generally and unconditionally authorised, in accordance with section 166 of the 1985 Act, to make market purchases (within the meaning of section 163 of the Act) of ordinary shares of 10p each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the directors may from time to time determine provided that:
 - (a) the maximum number of Ordinary Shares authorised to be purchased is 2,092,380;
 - (b) the minimum price which may be paid for an Ordinary Share is 10p (exclusive of expenses payable by the Company);

- (c) the maximum price which may be paid for an Ordinary Share (exclusive of expenses payable by the Company) cannot be more than the higher of:
- (i) 105 per cent of the average middle market price of the Ordinary Share as derived from the Daily Official List of the London Stock Exchange for the five business days prior to the day on which the Ordinary Share is purchased; and
 - (ii) the value of an Ordinary Share calculated on the basis of the higher of:
 - (aa) the last independent trade of; or
 - (bb) the highest current independent bid for,any number of Ordinary Shares on the trading venue where the purchase is carried out; and
- (d) the authority conferred shall expire at the conclusion of the next annual general meeting of the Company except that the Company may, before such expiry, make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.
12. THAT the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairperson be adopted as the articles of association of the Company in substitution for, and the exclusion of, the existing articles of association of the Company.

By order of the Board

James Kidwell
Company Secretary

Registered office
35 Conway Street
London NW1 5BT

23 May 2008

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) to exercise all or any of his 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.
 2. A proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. A proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
 3. An appointment of proxy is provided with this notice and instructions for use are shown on the form. In order to be valid a completed appointment of proxy must be returned to the Company by one of the following methods:
 - (a) in hard copy form by post, by courier or by hand to the Company's Registrar at the address shown on the form of proxy; or
 - (b) 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 later than 16th June 2008 at 12 noon.
- Please note that any electronic communication sent to our registrars in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted.
4. 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 proxy form and would like to change the instructions using another hard copy proxy form, please contact Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. 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.

5. (a) 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. 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.
 - (b) 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's 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 RA10) 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.
 - (c) 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.
 - (d) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland 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.
7. The Company specifies, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, that only those shareholders registered in the register of members of the Company as at 6 p.m. on 16th June 2008 (or, if the meeting is adjourned, at 6 p.m. on the date which is two days prior to the adjourned meeting) shall be entitled to attend or vote at the meeting or adjourned meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
9. As at 22 May 2008 (being the last business day before the publication of this notice), the Company's issued share capital consists of 20,923,798 ordinary shares carrying one vote each. Therefore the total voting rights in the Company are 20,923,798.
10. 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 auditor's 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 Annual General Meeting, 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.
11. The following documents are available for inspection at the registered office of the Company during normal business hours on each weekday (public holidays excluded) and at the place of the annual general meeting for 15 minutes prior to and during the meeting:
 - (a) copies of directors' service contracts (other than contracts expiring or determinable by the Company in less than one year) (only non-executive directors' appointment letters at the place of the annual general meeting); and
 - (b) copies of the Company's memorandum and articles of association.

Part 3

Explanatory notes to resolutions 9,10,11 and 12

Resolution 9 Authority to allot shares

Under the Companies Act 1985, the directors of a company may only allot unissued shares if authorised to do so by the shareholders in general meeting. Resolution 7 renews and extends the directors' existing authority by authorising the directors to allot shares up to an aggregate nominal amount of £697,460 before the date that is five years from the date that the resolution is passed. This represents approximately 6,974,598 ordinary shares of 10 pence each and is equivalent to approximately one third of the Company's current issued ordinary share capital excluding ordinary shares issued under options granted under any share option plan of the Company.

Except in relation to the issue of ordinary shares arising from the exercise of options under the Company's employee share option schemes, the directors have no present intention of issuing any of the authorised but unissued ordinary shares of the Company.

Resolution 10 Limited authority to allot shares for cash

The directors may only allot shares for cash to persons who are not already shareholders in the Company if authorised to do so by the shareholders in general meeting.

This resolution renews the power for the directors to allot shares for cash without first offering them to existing members up to an aggregate nominal amount of £104,619. This sum represents 1,046,190 ordinary shares of 10 pence each, being equivalent to approximately five per cent of the current issued share capital. The directors will use such authority in the circumstances where it is in the best interest of the Company to issue small amounts of shares for cash other than to existing shareholders.

The resolution also enables the directors to modify the strict requirements for a rights issue in circumstances where they consider it necessary or expedient.

The authority will expire on the date five years from the date that the resolution is passed.

Resolution 11 purchase of the Company's own shares

This resolution renews and extends authority from shareholders for the Company to purchase up to 2,092,380 ordinary shares, an aggregate nominal amount of £209,238, which is equivalent to approximately 10 per cent of the Company's issued ordinary share capital. The authority will expire at the end of next year's annual general meeting and the resolution specifies the maximum and minimum prices at which the shares may be bought. Other investment opportunities, appropriate gearing levels and the overall financial position of the Company will be taken into account before deciding upon this course of action. Any shares purchased in this way will be held by the Company in treasury and may then be sold for cash, transferred to an employee share scheme or cancelled. The board has no immediate intention of exercising the proposed authority when it becomes effective, but believes that the ability of the Company to buy its own shares when, in the board's opinion, market prices do not reflect the Company's worth, will be in the best interests of the Company and its shareholders. The directors intend to exercise this power only when they believe the effect of such purchases will increase earnings per ordinary share.

Resolution 12 – Adoption of new articles

It is proposed in resolution 12 in the enclosed notice of annual general meeting to update the Company's current articles of association (the "Current Articles") primarily to take account of changes in company law brought about by the 2006 Act by adopting new articles of association (the "New Articles"). The changes proposed by resolution 12 are summarised as follows:

(a) References to "extraordinary" resolutions

The concept of extraordinary resolutions has not been retained under the 2006 Act and all references to "extraordinary resolutions" throughout the Current Articles (including for example article 2.4) have been amended, where appropriate, to "special resolutions".

(b) Uncertificated Securities Regulations 2001

Articles 12 and 13 of the Current Articles have also been updated in the New Articles to reflect the application of the Uncertificated Securities Regulations 2001.

(c) Refusal to register transfers

Articles 33 and 34 of the Current Articles relating to the right to refuse to register a transfer of any share has been updated in the New Articles to bring them in line with section 771 of the 2006 Act. Article 33.1.4 has been included in the New Articles to reflect the fact that directors can refuse to register a proposed transfer to a minor, infant, bankrupt or person with a mental disorder. Under article 34 of the New Articles, the directors are now obliged to send to the transferee such information about the reasons for refusal as the transferee may reasonably request.

(d) Disclosure of interests in shares

Article 42 of the Current Articles dealing with the Company's right to require information from members and other interested parties regarding shareholdings pursuant to section 212 of the Companies Act 1985 has been updated as the relevant section is now section 793 of the 2006 Act. Similarly, article 45 of the Current Articles (which deals with the implication of failing to disclose certain interests in shares) has been updated.

(f) Convening general meetings

The provisions in the Current Articles (see article 51 and 52 of the Current Articles) dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended in the New Articles (see article 50 and 52 of the New Articles) to conform with the provisions in the 2006 Act. In particular a general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

(g) Quorum at general meetings

Article 57 of the Current Articles provides that two persons entitled to vote each being a member or a proxy for a member constitute a quorum. This provision is being amended slightly (see article 53 of the New Articles) to make it clear that two persons who are acting as a proxy or corporate representative for the same member can constitute a quorum.

(h) Amendment of resolutions

The wording of the provision detailing the methods by which resolutions may be amended (see article 64 of the Current Articles and article 60 of the New Articles) has been updated to bring the wording in line with the draft model form articles for public companies (the "Model Articles") of the Department for Business Enterprise and Regulatory Reform. The Model Articles will replace the Table A articles under the Companies Act 1985 in due course. This amendment has increased flexibility with regards to amendments of special resolutions.

(i) Votes of members

Under the 2006 Act, proxies are entitled to vote on a show of hands as well as on a poll, and members may appoint a proxy to exercise all or any of their rights to attend, speak and vote at meetings. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share or shares. The New Articles reflect these new proxy rights (see for example article 65.1 and 67 of the New Articles).

In relation to the appointment of proxies, articles 70, 73.3 and 73.4 of the New Articles have been included in the New Articles to reflect recent developments concerning electronic communications with members. In addition, the New Articles make it clear that the directors may specify in a notice of meeting that in determining the time for delivery of proxies, no account shall be taken of non-working days.

Article of 75 of the New Articles now makes it clear that more than one corporate representative may be appointed by a member.

(j) Removal of directors

Article 90 of the New Articles now makes it clear that "special notice" (i.e., 28 clear days) must be given of any resolution to remove a Director or appoint a replacement at a general meeting.

(k) Conflicts of interest

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or may possibly 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 2006 Act 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 2006 Act 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 (see article 96) give the directors authority to approve such situations and include some conflict management provisions regarding confidential information and a director's ability to absent himself from discussion.

Only directors who have no interest in the matter being considered will be able to take the decision to authorise a conflict or potential conflict. In addition, the directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate. The provision of the articles dealing with the quorum at board meetings has also been updated to make it clear that a director can not be counted in the quorum in respect of matters in which he is interested, but may be counted in respect of all other matters voted on during that meeting (see article 111 of the New Articles).

(l) Signing of sealed documents

Article 130 of the New Articles have been updated to reflect the fact that, under section 44 of the 2006 Act, a document will be deemed to be executed by a company where it has been affixed with the common seal, signed by two authorised signatories (a director or a secretary) or by a single director in the presence of a witness who attests the signature.

(m) Payment of script dividends

Article 147.7 has been added to the New Articles to make it clear that the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of such new ordinary shares shall in aggregate be as nearly as possible equal to the cash amount that such holder would have received by way of dividend.

(n) Electronic and web communication

Provisions of the 2006 Act which came into force in January 2007 enable companies to communicate with members by electronic and/or website communications. The New Articles allow communications to members in electronic form and, in addition, they also permit the Company to take advantage of the new provisions relating to website communications. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

The definition of 'in writing' has also been updated to incorporate more up to date language.

(p) Directors' indemnities

The 2006 Act has in some areas widened the scope of the powers of the company to indemnify directors. For example, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme and also allow a company to indemnify directors of associated companies. The New Articles (see articles 165 and 166) have been updated to incorporate these changes and the opportunity has been taken to review, update and improve the language of the indemnity provision in line with market practice and therefore ensure that the Company is able to take out a full range of insurance and provide a full range of indemnities as currently permitted by law.

The provisions of the New Articles now makes it clear that insurance can be obtained for the benefit of former directors and officers of the Company. Also, funds may be provided to a director to allow him to properly perform his duties or to allow him to defend proceedings brought against him, on the understanding that such funds must be repaid in the event that judgement is given against him.

(q) General

Generally the opportunity has been taken to bring clearer language into the new articles and in some areas to conform to the language of the 2006 Act.