

The Companies Acts 1948 to 1983

<sup>1</sup>PUBLIC COMPANY LIMITED BY SHARES

Memorandum of Association

of

PEARL ASSURANCE PUBLIC LIMITED COMPANY



A17	*AOWCDAP1*	585
COMPANIES HOUSE		26/11/2005
A15	*A9QX87SX*	0684
COMPANIES HOUSE		13/08/05

1. <sup>23456</sup>The Name of the Company is "Pearl Assurance Public Limited Company"
2. <sup>56</sup>The Company is to be a Public Company
3. The Registered Office of the Company will be situated in England.
4. <sup>7</sup>The objects for which the Company is established are:-
  - (1) To carry on all kinds of insurance business whether of a kind now known or hereafter devised, the expression "insurance business" including in this and the succeeding paragraphs of this Clause (without prejudice to its generality):-
    - (i) the classes of business listed in the Insurance Companies Act 1982 (or in any amendment or re-enactment thereof for the time being in force) for the purpose of defining "long term business" and "general business"; and

<sup>1</sup> By Special Resolution dated 31 March 2005, the Company was re-registered as a Private Limited Company. By Special Resolution dated 5 May 2005 the Company was re-registered as a Public Limited Company. By Special Resolution dated 25 July 2005 the Company was re-registered as a Private Limited Company. By Special Resolution dated 28 July 2005 the Company was re-registered as a Public Limited Company.

<sup>2</sup> By a Resolution of the Directors passed on 21st October 1981, pursuant to Section 8 of the Companies Act 1980, the name of the Company was changed from "Pearl Assurance Company Limited".

<sup>3</sup> By Special Resolution dated 31 March 2005, Clause 1 was amended by deleting the words "Public Limited Company" and replacing it with the word "Limited"; Clause 2 was deleted, clauses 3 and 4 were renumbered clauses 2 and 3.

<sup>4</sup> By Special Resolution dated 5 May 2005 clause 1 was deleted and substituted with a new clause 1 and 2, existing clauses 2, 3, 4 and 5 were renumbered 3, 4, 5 and 6.

<sup>5</sup> By Special Resolution dated 25 July 2005, Clause 1 was amended by deleting the words "Public Limited Company" and replacing it with the word "Limited" and Clause 2 was amended by deleting the word "Public" and replacing with the word "Limited".

<sup>6</sup> By Special Resolution dated 28 July 2005, Clause 1 was amended by deleting the word "Limited" and replacing it with the words "Public Limited Company" and Clause 2 was amended by deleting the word "Limited" and replacing with the word "Public".

<sup>7</sup> The Present Clause 4 was adopted by a Special Resolution passed on 6th June 1984.

- (ii) all business which is insurance business within the meaning of the said Act (or any such amendment or re-enactment);

whether or not the same would otherwise be within the meaning of that expression.

- (2) To reinsure or counter-insure any insurances or liabilities undertaken by the Company.
- (3) To pay, satisfy or compromise any claims made against the Company in respect of any policies granted by or dealt in or entered into or guaranteed or secured or reinsured by the Company which claims the Company may deem it expedient to pay, satisfy or compromise notwithstanding that the same may not be valid in law.
- (4) To act as trustee or executor, with or without remuneration, or undertake the conduct of any business connected with trusts or the estates of deceased persons, and to receive for safe custody deeds, securities or other documents or money or any personal chattels with or without undertaking liability for any loss thereof or injury thereto, and to undertake all kinds of agency business.
- (5) To appropriate and pay or distribute to or among the holders of policies of the Company or other persons with whom it may have dealings or any class or classes of such persons any part of the general profits of the Company or of the profits derived from any one or more of its several businesses or classes of business and either in cash or by any deferred payment or by the diminution of premiums or in any other way and by the terms of any policy or prospectus to bind itself to make any such appropriation, payment or distribution.
- (6) To carry on any other business of any nature whatsoever which may seem to the Directors to be capable of being conveniently carried on in connection or conjunction with any business of the Company hereinbefore or hereinafter authorised or to be expedient with a view to rendering profitable or more profitable any of the Company's assets or utilising its know-how or expertise.

- (7) To subscribe, underwrite, purchase, or otherwise acquire, and to hold, dispose of, and deal with, any shares or other securities or investments of any nature whatsoever (in the case of shares or other securities or investments in a company whether the Company shall obtain the whole or part only of the same) and any options or rights in respect thereof, and to buy and sell foreign exchange.
- (8) To draw, make, accept, endorse, discount, negotiate, execute, and issue, and to buy, sell and deal with bills of exchange, promissory notes, and other negotiable or transferable instruments or securities.
- (9) To purchase, take on lease or otherwise acquire for any estate or interest any property or assets or any concessions, licences, grants, patents, trade marks, copyrights or other exclusive or non-exclusive rights of any kind and to develop and turn to account and deal with the same in such manner as may be thought fit and to make experiments and tests and to carry on all kinds of research work.
- (10) To build, construct, equip, execute, carry out, improve, work, develop, administer, maintain, manage or control works, plants, factories, wharves, jetties, roads, railways, warehouses, depots, offices and other buildings, structures or facilities of all kinds, whether for the purposes of the Company or for sale, letting or hire to or in return for any consideration from any company, firm or person, and to contribute to or assist in or carry out any part of any such operation.
- (11) To amalgamate or enter into partnership or any joint venture or profit-sharing arrangement or other association with any company, government, authority, firm or person.
- (12) To purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any company, firm or person carrying on any business which the Company is authorised to carry on or possessed of any property suitable for the purposes of the Company.

- (13) To promote, or join in the promotion of or otherwise obtain interests in, any company, whether or not having objects similar to those of the Company and to act as a holding company.
- (14) To borrow and raise money and to secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages and charges upon all or any part of the undertaking, property and assets (present and future) and the uncalled capital of the Company, or by the creation and issue of debentures, debenture stock or other securities of any description.
- (15) To advance, lend or deposit money or give credit to or with any company, firm or person on such terms as may be thought fit and with or without security.
- (16) To guarantee or give indemnities or provide security, whether by personal covenant or by mortgage or charge upon all or any part of the undertaking, property and assets (present and future) and the uncalled capital of the Company, or by all or any such methods, for the performance of any contracts or obligations, and the payment of capital or principal (together with any premium) and dividends or interest on any shares, debentures or other securities, of any person, firm or company including (without limiting the generality of the foregoing) any company which is for the time being a holding company of the Company or another subsidiary of any such holding company or is associated with the Company in business.
- (17) To issue any securities which the Company has power to issue for any other purpose by way of security or indemnity or in satisfaction of any liability undertaken or agreed to be undertaken by the Company.
- (18) To sell, lease, grant licences, easements and other rights over, and in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and in particular for shares or other securities, whether fully or partly paid up.
- (19) To procure the registration or incorporation of the Company in or under the laws of any territory outside England.

- (20) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object, or for any purpose which may be considered likely directly or indirectly to further the interests of the Company, its members or its policyholders.
- (21) To establish and maintain or contribute to any pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any individuals who are or were at any time in the employment or service of the Company or of any company which is its holding company or is a subsidiary of the Company or any such holding company or otherwise is allied to or associated with the Company, or who are or were at any time Directors or Officers of the Company or of any such other company, and the wives, widows, families and dependants of any such individuals; to establish and subsidise or subscribe to any institutions, associations, clubs or funds which may be considered likely to benefit any such persons or to further the interests of the Company or of any such other company; and to make payments for or towards the insurance of any such persons.
- (22) To establish and maintain, and to contribute to, any scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of its employees or former employees, or those of its subsidiary or holding company or subsidiary of its holding company, or by or for the benefit of such other persons as may for the time being be permitted by law, or any scheme for sharing profits with its employees or those of its subsidiary and/or associated companies, and (so far as for the time being permitted by law) to lend money to the Company's employees (other than Directors) with a view to enabling them to acquire shares in the Company or its holding company.
- (23) To distribute among members of the Company in specie or otherwise, by way of dividend or bonus or by way of reduction of capital, all or any of the property or assets of the Company, or any proceeds of sale or other disposal of any property or assets of the Company, with and subject to any incident authorised and consent required by law.

(23A)\* To the extent that the same is permitted by law, to give financial assistance for the purpose of the acquisition of shares in the Company or the Company's holding company for the time being (as defined by Section 736 of the Companies Act 1985) and to give such assistance by any means however permitted by law.

\*By resolution dated 27 April 2005 Clause 3 was amended to insert new paragraph (23A)

- (24) To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, subsidiary companies or otherwise, and either alone or in conjunction with others.
- (25) To do all such other things as may be considered to be incidental or conducive to any of the above objects.

And it is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this Clause (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Company and shall not be in any way limited by reference to any other paragraph or the order in which the same occur or the name of the Company.

- 5. <sup>8 9</sup> The liability of the members is limited.
- 6. <sup>10</sup> The capital of the Company is £759,551,000 divided into 51,000,000 "A" Ordinary Shares of 5p each and 757,001,000 "B" Ordinary Shares of £1 each with such respective rights as are mentioned in the accompanying Articles of Association.

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<sup>8</sup> By Special Resolution dated 31 March 2005, clauses 5 and 6 were renumbered clauses 4 and 5.

<sup>9</sup> By Special Resolution dated 5 May 2005, clauses 4 and 5 were renumbered 5 and 6.

<sup>10</sup> Clause 6 above sets out the capital of the Company as increased and altered up to 2 July 2002.

The Companies Acts 1948 to 1983

<sup>1</sup>PUBLIC COMPANY LIMITED BY SHARES

# Articles of Association of PEARL ASSURANCE PUBLIC LIMITED COMPANY<sup>1</sup>

## PRELIMINARY

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|----------------------|--|
| Table A not to apply | 1. The regulations in Table A in the First Schedule to the Companies Act 1948 (as amended) and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company.                                       |
| Interpretation       | 2. In these presents the marginal notes shall not affect the construction hereof and (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:- |
| the Acts             | The Companies Acts 1948 to 1983.   |
| the Statutes         | The Acts and every other Act for the time being in force concerning companies and affecting the Company.   |
| these presents       | These Articles of Association as from time to time altered.  |
| Office               | The Registered Office of the Company for the time being.   |

<sup>1</sup> By Special Resolution dated 31 March 2005, The Company be re-registered as a Private Limited Company. By Special Resolution dated 5 May 2005 The Company was re-registered as a Public Limited Company. By Special Resolution dated 25 July 2005 The Company was re-registered as a Private Limited Company. By Special Resolution dated 28 July 2005 The Company was re-registered as a Public Limited Company.

Transfer Office	The place where the Register of Members is situate for the time being.
the Directors	The Directors of the Company for the time being.
member	A shareholder whose name has been entered in the Register.
the Register	The Register of Members to be kept pursuant to the Acts.
Seal	The Common Seal of the Company.
Securities Seal	An official seal kept by the Company by virtue of Section 2 of the Stock Exchange (Completion of Bargains) Act 1976.
the United Kingdom	Great Britain and Northern Ireland.
month	Calendar month.
year	Calendar year.
in writing	Written or produced by any substitute for writing or partly one and partly another.
paid	Paid or credited as paid.

The word "Act" related to a particular year refers to the Companies Act of that year.

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".

The expression "Employees' Share Scheme" bears the meaning ascribed thereto by Section 87(1) of the 1980 Act.

The expression "Secretary" shall include a Deputy or Assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

The expression "Actuary" shall include any person appointed by the Directors to perform any of the duties of the Actuary.

The expression "Stock Exchange Nominee" bears the meaning ascribed thereto by Section 7(2) of the Stock Exchange (Completion of Bargains) Act 1976.



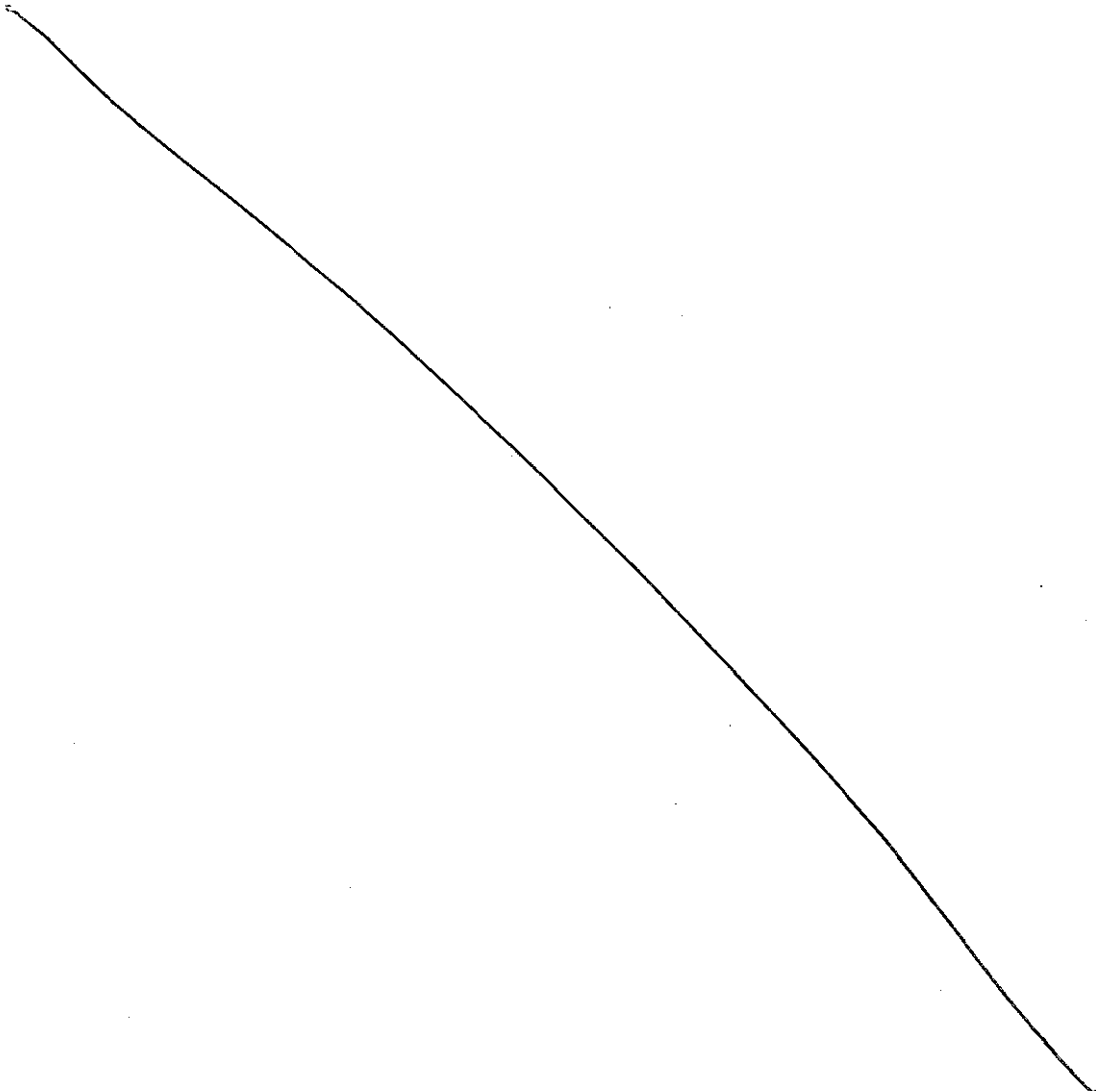
All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in the Acts shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents.



## SHARE CAPITAL

Capital of  
the Company

- 3 (A) The authorised share capital of the Company at the date of the adoption of these articles is the aggregate of £2,551,000 divided into 51,000,000 'A' Ordinary Shares of 5p each (Sterling Shares) and 1000 'B' Ordinary Shares of £1.00 each.

Rights of  
Shares

- (B) The rights and restrictions attaching to the 'A' Ordinary shares and the 'B' Ordinary Shares shall be as follows:-

(i) As regards income:-

- (a) each 'B' Ordinary Share shall confer on the holder thereof the right to receive (in priority to any payment of dividend to the holders of any other class of shares in the capital of the Company), out of the profits of the Company which the Company may determine to distribute in respect of any financial year (the Available Profits), a dividend equivalent to 99.999 per cent of the Available Profits divided by the number of 'B' Ordinary Shares then in issue;
- (b) subject to the rights of the holders of the 'B' Ordinary Shares, each 'A' Ordinary Share shall confer on the holder thereof the right to receive the balance of the Available Profits, divided by the number of 'A' Ordinary Shares then in issue.

(ii) As regards capital:-

- (a) each 'B' Ordinary Share shall confer on the holder thereof, on a return of capital on a liquidation or otherwise, the right to receive in priority to any payment to the holders of any other class of shares in the capital of the Company and in the following order:-
- (A) repayment in full of the capital paid up on or credited as paid up on such 'B' Ordinary Share; and
- (B) a further sum equal to 99.999 per cent of the assets available for distribution to members (or of the aggregate amount to be repaid as the case may be) divided by the number of 'B' Ordinary Shares in issue at the date of the commencement of the winding up (or the return of capital as the case may be)
- (b) each 'A' Ordinary Share shall confer on the holders thereof, on a return of capital on a liquidation or otherwise, the balance of the assets available for distribution (or amount to be repaid), divided by the number of 'A' Ordinary Shares in issue at the relevant time.

Note: Article 3 was changed by Special Resolutions dated 11th October 1996 and 4th August 1997

### VARIATION OF RIGHTS.

How special rights  
of shares may be  
varied

4. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least three-quarters in nominal value of the issued shares of the class (but that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

Further issues

5. No further preference capital ranking in priority to the 6 per cent. Preference Shares shall be issued by the Company unless the proposed issue is first sanctioned by a General Meeting of the Company. The special rights attached to any class of shares created after the adoption of these Articles of Association and having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

### ALTERATION OF SHARE CAPITAL.

Power to increase capital

6. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise and shall unless the resolution creating them otherwise determines be Ordinary Shares.

7. The Company may by Ordinary Resolution:—

Power to consolidate or divide shares

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

Power to cancel shares

(b) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;

Power to sub-divide shares

(c) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

Power to purchase own shares

8. Subject to the provisions of the Statutes the Company may purchase any of its own shares (including any redeemable shares).

Power to reduce capital

9. The Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

### SHARES.

Rights on further issues

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued and subject to Article 5, any share in the Company may be issued with

such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.

Unissued shares  
at disposal of  
Directors

11. (A) Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

(B)(i) Pursuant to and in accordance with Section 14 of the 1980 Act the Directors shall be generally authorised to exercise for each prescribed period all the powers of the Company to allot and to make offers or agreements to allot relevant securities up to an aggregate nominal amount equal to the prescribed amount; provided that the aggregate nominal amount of the equity securities allotted wholly for cash during such period otherwise than in connection with a rights issue shall not exceed 5 per cent. of the aggregate of: —

(a) the nominal amount of the Ordinary Share capital in issue at the beginning of such period; and

(b) the prescribed amount.

(ii) Pursuant to and within the terms of the said authority the Directors shall be empowered during each prescribed period to allot or make offers or agreements to allot equity securities as if Section 17(1) of the said Act did not apply to any such allotment.

(iii) The said authority and the said power shall allow and enable the Directors to make offers or agreements which would or might require the making of allotments after the expiry thereof.

(iv) For the purposes of this Article: —

- (a) "rights issue" means an offer of securities open for acceptance for a period fixed by the Directors to holders of Ordinary Shares (and of any other securities the terms of which entitle holders to participate in an issue made to Ordinary Shareholders) on the register on a fixed record date in proportion to their then 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 legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory);
- (b) "prescribed period" means in the first instance the period from the date of the adoption of these presents down to the Annual General Meeting in 1985 and shall include any other period (not exceeding the period ending on the date of the Annual General Meeting next occurring after the date of the Special Resolution affecting the renewal or extension) for which the authority and power conferred by sub-paragraphs (i) and (ii) above are renewed or extended by a Special Resolution of the Company stating the prescribed amount for such period;
- (c) "the prescribed amount" shall for the first prescribed period be £450,000 and for any other prescribed period shall be that stated in the relevant Special Resolution; and
- (d) words and expressions defined in or for the purpose of Part II of the 1980 Act (as modified by the 1981 Act) shall bear the same meaning.

Power to pay  
commission and  
brokerage.

12. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

Recognition of  
renunciation of  
allotment

13. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of

some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

Trusts not  
recognised and  
exclusion of  
equities

14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

#### SHARE CERTIFICATES.

Form of  
certificates

15. Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a Stock Exchange Nominee.

Joint holders

16. In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all.

Issue of share  
certificates

17. Any person (subject as aforesaid) whose name is entered in the Register of Members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within fourteen days after lodgment of a transfer or (in the case of a transfer of partly-paid shares) within two months after lodgment of a transfer.

Balance  
certificates

18. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Replacement of  
share certificates

19. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.

(C) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

(D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

#### CALLS ON SHARES.

Power to make  
calls

20. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

Liability of holders

21. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

Interest on calls

22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.



Sums due on allotment to be treated as calls

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate

24. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

Payment in advance of calls

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 17 per cent. per annum) as the member paying such sum and the Directors may agree.

#### FORFEITURE AND LIEN.

Notice requiring payment of calls

26. If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

Notice to state time and place for payment

27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.

Forfeiture on non-compliance with notice

28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a

Surrender

resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

Disposal of shares forfeited or surrendered

29. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

Rights and liabilities of members whose shares have been forfeited or surrendered

30. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

Company's lien

31. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on every share (not being a fully paid share) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

Sale of shares  
subject to lien

32. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

Application of  
proceeds of sale

33. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are then payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

Title to shares  
forfeited, etc.

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### TRANSFER OF SHARES.

Form of transfer

35. All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

Closing of Register

36. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register of Members shall not be closed for more than thirty days in any year.

Power to decline transfer

37. The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully paid shares). The Directors may also refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

Transfer and registration requirements

38. The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a Stock Exchange Nominee the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

Instrument of transfer may be retained

39. All instruments of transfer which are registered may be retained by the Company.

No fee for registration

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

Destruction of documents

41. The Company shall be entitled to destroy all instruments of transfer and other documents on the faith of which entries are made in the Register which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall

conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:—

- (a) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- (c) References herein to the destruction of any document include references to the disposal thereof in any manner.

#### TRANSMISSION OF SHARES.

Transmission  
on death of  
shareholder

42. In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

Registration of  
persons entitled  
on death or  
bankruptcy

43. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or

bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member.

Rights of persons  
entitled on death  
or bankruptcy

44. Save as otherwise provided by or in accordance with these presents, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share.

#### UNTRACED SHAREHOLDERS.

Power to sell  
shares of untraced  
shareholders

45. (A) The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:—

- (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the later thereof) all warrants and cheques in respect of the shares in question sent in the manner authorised by these presents have remained uncashed; and
- (ii) the Company shall on expiry of the said period of 12 years have inserted advertisements, both in a leading London newspaper and in a newspaper circulating in the area of the address at which service of notices upon such member or other person may be effected in accordance with these presents, giving notice of its intention to sell the said shares; and
- (iii) during the said period of 12 years and the period of three months following the publication of the said advertisements the Company shall have received indication neither of the whereabouts nor of the existence of such member or person; and
- (iv) notice shall have been given to the Quotation Department of The Stock Exchange in London of its intention to make such sale.

(B) To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had

been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

#### GENERAL MEETINGS.

Annual General Meetings

46. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Extraordinary General Meetings

47. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

#### NOTICE OF GENERAL MEETINGS.

Notice

48. An Annual General Meeting and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents entitled to receive such notices from the Company: provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:—

Short Notice

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Omission or non-  
receipt of Notice

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

Contents of Notice

49. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

Routine business

50. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:—

- (a) declaring dividends;
- (b) receiving and/or adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.



## PROCEEDINGS AT GENERAL MEETINGS.

Chairman

51. The Chairman of the Directors, failing whom a Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting none be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

Quorum

52. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Adjournment if  
quorum not  
present

53. If within five minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the adjourned meeting any two members present in person or by proxy and entitled to vote shall be a quorum.

Adjournments

54. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or *sine die*, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

Notice of  
adjournments

55. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Amendments to  
resolutions

56. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

Method of voting

57. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:—

- (a) the chairman of the meeting; or
- (b) not less than three members present in person or by proxy and entitled to vote; or
- (c) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Evidence that  
resolution carried

58. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall)

How poll to be  
taken

appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Chairman's casting  
vote

59. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

Time for taking a  
poll

60. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

Continuance of  
business after  
demand for a poll

### VOTES OF MEMBERS.

Voting Rights  
of Members

61 (A) Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member holding 'B' Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

(B) The holders of 'A' Ordinary Shares shall not be entitled to vote upon any resolution.

Note: Article 61 was changed by Special Resolutions dated 11th October 1996 and 4th August 1997

Voting rights of  
joint holders

62. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the share.

Voting rights of  
member with  
mental disorder

63. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

No right to vote in  
certain  
circumstances

64. No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid or if he or any person appearing to be interested in such shares has been duly served with a notice under Section 74 of the 1981 Act and is in default in supplying to the Company the information thereby required. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 74 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 74 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

Objections to  
admissibility

65. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

- Votes on a poll      66. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- Proxy need not be a member      67. A proxy need not be a member of the Company.
- Form of proxy      68. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:—
- (a) in the case of an individual shall be signed by the appointor or his attorney; and
  - (b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.
- Deposit of proxies      69. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.
- Effect of proxies      70. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

Intervening death or  
insanity of principal not to  
affect votes cast by proxy

- 71 A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

#### CORPORATIONS ACTING BY REPRESENTATIVES.

Entitlement of  
representatives

- 72 Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

#### DIRECTORS

Number of Directors

- 73 Subject as hereinafter provided the Directors shall not be less than two nor more than twelve in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors.#

73B\*

- 73B(1) A Director may, with the approval of the Directors, appoint any person as his or her alternate.

- 73B(2) An Alternate Director is entitled to Notice of Directors Meetings while he or she is acting in that capacity and, if the Appointor is not present at a Meeting, is entitled to attend, be counted in a quorum and vote as a Director.

- 73B(3) The provisions of these Articles of Association which apply to Directors also apply to Alternate Directors, except that Alternate Directors are not entitled in that capacity to any remuneration from the Company.

- 73B(4) The appointment of an Alternate Director may be revoked at any time by the Appointor or by the other Directors.

- 73B(5) An Alternate Director's appointment ends automatically when the Alternate Director's Appointor ceases to be a Director. Any appointment or revocation under this clause must be effected by a written notice delivered to the Secretary.

No qualification shares  
required

- 74 A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

Remuneration of  
Directors

- 75 The ordinary remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally except, that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

Note:

\* By Special Resolution dated 17 October 2000 Article 73B was inserted.

#By Special Resolution dated 31 March 2005, the word "Three" be deleted and replaced by the word "Two" under Clause 73.

## Extra remuneration

76. Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity) or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

## Expenses

77. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

## Pensions for Directors

78. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

## Power of Directors to hold office of profit and to contract with the Company

79. A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

## Appointment of Executive Directors

80. (A) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(B) The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or

Assistant Managing Director shall automatically terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(C) The appointment of any Director to any other executive office shall not automatically terminate if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such termination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Delegation of  
powers

81. The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS.

Age limit

82. Any provision of the Statutes which, subject to the provisions of these presents, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as a Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall apply to the Company.

Vacation of office  
of Director

83. The office of a Director shall be vacated in any of the following events, namely:—

- (a) If he shall become prohibited by law from acting as a Director.
- (b) If he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer.
- (c) If he shall have a receiving order made against him or shall compound with his creditors generally.
- (d) If in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs.



- (e) If he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically terminates such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Retirement of  
Directors by  
rotation

84. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.

Selection of  
Directors to retire

85. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Filling vacated  
office

86. The Company at the meeting at which a Director retires under any provision of these presents may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases: —

- (a) Where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost.
- (b) Where such Director has given notice in writing to the Company that he is unwilling to be re-elected.
- (c) Where the default is due to the moving of a resolution in contravention of the next following Article.
- (d) Where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

Appointment of  
Directors to be  
voted on  
individually

87. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

Notice of intention  
to propose  
Director

88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by at least three members each holding 100 Ordinary Shares (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

Removal of  
Directors

89. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

Directors'  
powers to fill  
casual vacancies  
or appoint  
additional  
Directors

90. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not

thereby exceed the maximum number (if any) fixed by or in accordance with these presents. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

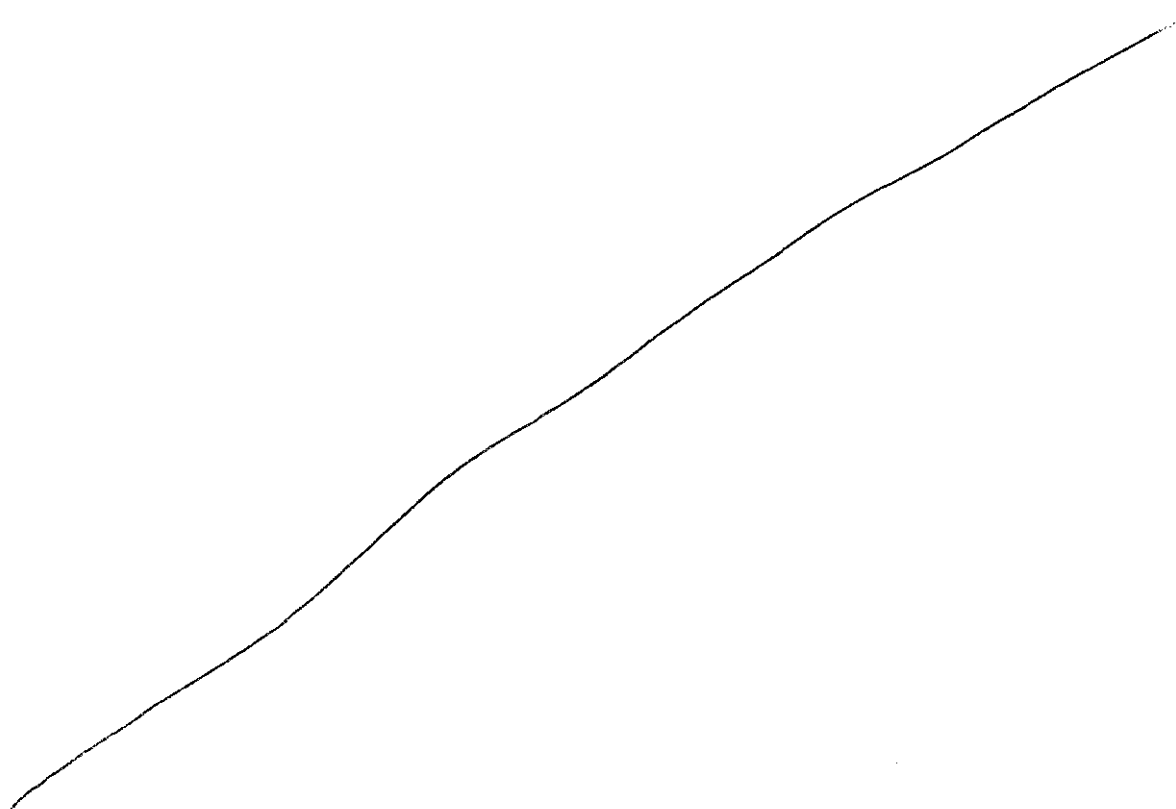
## MEETINGS AND PROCEEDINGS OF DIRECTORS

- |                                  |  |
|----------------------------------|--|
| Meetings of Directors            | 91. Subject to the provisions of these presents the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive. |
| Notice                           |  |
| Quorum                           | 92. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions from the time being exercisable by the Directors.  |
| Votes                            | 93. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.   |
| Declaration of interest          | 94. A Director who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or a proposed contract, transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with the Acts.   |
| Restrictions on voting           | 95. Without prejudice to the obligations of any director to disclose his interest in accordance with section 317 of the Companies Act 1985, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in respect of which he has, directly or indirectly, an interest or duty. The director must be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes, his vote must be counted.                                   |
| Proceedings in case of vacancies | 96. The continuing Directors may act notwithstanding any vacancies, but if and so long as the numbers of Directors is reduced below the minimum number fixed by or in accordance with these presents the continuing Directors or Director may act for the purpose of filling such a vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.               |

Chairman

97. (A) The Directors may elect from their number a Chairman and Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed by holding the meeting, the Directors present may choose one of their number to be chairman of the meeting. (B) If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.
98. A resolution in writing signed by all the Directors for the time being in the United Kingdom shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form, each signed by one or more Directors.
99. The Directors may delegate any of their powers or discretions to committees consisting of one or more members of their body and (if

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Proceedings at  
committee meetings

thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that (a) the number of co-opted members shall be less than one-half of the total number of members of the committee and (b) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors. The meetings and proceedings of any such committee consisting of two or more members shall be governed *mutatis mutandis* by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under this Article.

Validity of acts of  
Directors in spite of some  
formal defects

100. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote.

- 100B Without prejudice to the first sentence of Article 91, a meeting of the directors or of a committee of the directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephone communication) to speak to each of the others, and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word *meeting* in the Articles shall be construed accordingly"

Minutes of meetings and  
proceedings

101. The Directors shall cause minutes to be duly entered in books provided for the purpose:-
- (a) of all appointments of officers made by the Directors.
  - (b) of all names of all Directors present at each meeting of the Directors, and of all persons present at each meeting of any committee referred to in Article 99; and
  - (c) of all resolutions and proceedings of General Meetings of the Company and of meetings of the Directors and any such committee.

Any such minutes of any meeting if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be receivable as *prima facie* evidence of the matters stated in such minutes.

**Note:**

Article 100B was inserted by Special Resolution dated 5 May 1998.

Article 100C was inserted by Special Resolution dated 28 February 2001 and amended by Special Resolution dated 9 May 2001 and By Special Resolution dated 26 November 2004 Clause 100(c) was deleted.

## BORROWING POWERS.

Power to borrow  
money and give  
security

102. (A) Subject as hereinafter provided and to the provisions of the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. No debentures shall be issued by the Company unless the proposed issue is first sanctioned by a General Meeting of the Company.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the Adjusted Capital and Reserves.

(C) For the purpose of the foregoing limit the following provisions shall apply:—

- (i) there shall be deemed, subject as hereinafter provided, to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):—
  - (a) the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;
  - (b) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
  - (c) the nominal amount of any issued and paid-up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group;

- (d) the nominal amount of any other issued and paid-up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed or wholly or partly secured by any member of the Group;
- (e) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account;
- (ii) moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account;
- (iii) any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be borrowed moneys;
- (iv) moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion; for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company;
- (v) borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be translated into sterling by reference to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if the

relevant currency was not thereby involved, by reference to the rate of exchange or approximate rate of exchange ruling on such date and determined on such basis as the Auditors may determine or approve;

- (vi) amounts secured by policies, guarantees, indemnities, bonds or contracts issued or given by the Company or any of its subsidiaries in the course of its business as an insurance company shall be deemed not to be moneys borrowed.

(D) In this Article the expression "Adjusted Capital and Reserves" means at any material time a sum equal to the aggregate of:—

- (i) the amount paid up on the issued share capital of the Company;
- (ii) the amount standing to the credit of the capital and revenue reserves of the Group (including any share premium account or capital redemption reserve but excluding investments reserves) after adding thereto or deducting therefrom any balance to the credit or debit of profit and loss account; and
- (iii) one-tenth of the long-term insurance funds of the Group;

all based on a consolidation of the then latest available audited balance sheets of the member companies of the Group but after:—

- (a) deducting sums equivalent to the book values of goodwill and any other intangible assets shown in such consolidation;
- (b) excluding any sums set aside for taxation (including deferred taxation) less any sums properly added back in respect thereof;
- (c) making such adjustments as may be appropriate in respect of any variation in the amount of such paid-up share capital or any such reserves subsequent to the relevant balance sheet date and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date



when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

- (d) making such adjustments as may be appropriate in respect of any distributions declared, recommended or made by the Company or its subsidiaries (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary (as the case may be) to the extent that such distribution is not provided for in such balance sheet;
- (e) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet of the Company;
- (f) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary, making all such adjustments as would be appropriate if such transaction had been carried into effect;
- (g) excluding minority interests in subsidiaries.

The determination of the Auditors (which expression means the Auditors for the time being of the Company or, in the case of joint Auditors, any one of them) as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned. Nevertheless the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit hereinbefore contained is inadvertently exceeded an amount of borrowed moneys equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a determination of the Auditors or otherwise the Directors become aware that such a situation has or may have arisen.

(E) No person dealing with the Company or any of its subsidiaries shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

## GENERAL POWERS OF DIRECTORS.

General powers  
of Directors  
to manage  
Company's  
business

103. The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

Power to  
establish local  
boards, etc.

104. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Power to  
appoint  
attorneys

105. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Power to  
appoint a  
President

106. The Directors may from time to time elect one of their number to be President of the Company and may determine the period for which he shall hold office. Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit. A Director holding office as President shall not be exempt from retirement by rotation as a Director.

Branch registers

107. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

Signing of cheques,  
etc.

108. All cheques, warrants, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

#### SECRETARY AND ACTUARY.

Appointment  
of Secretary

109. (A) The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Deputy or Assistant Secretaries.

Appointment  
of Actuary

(B) The Actuary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Actuary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

#### THE SEALS.

Custody of Seals

110. (A) The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.

Formalities for  
affixing Seal

(B) The Directors may, by resolution, from time to time make such regulations as they think fit to determine the persons and the number of such persons who shall sign every instrument (subject to the provisions of paragraph (C) of this Article) to which the Seal or any Securities Seal is affixed and, until otherwise so determined, every such instrument shall (subject as aforesaid) be signed by a Director and countersigned by the Secretary or by a second Director, save that the Directors may by resolution determine either generally or in any particular case or cases that such signatures may be dispensed with or affixed by some method or system of mechanical signature.

Securities  
Seal

(C) The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.

Power to  
have seal for  
use abroad

111. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

#### AUTHENTICATION OF DOCUMENTS.

Power to  
authenticate  
documents

112. Any Director or the Secretary or a Deputy or an Assistant Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

Certified copies  
of resolutions  
of the Company  
or the Directors

## RESERVES.

Power to  
carry profit to  
reserve and  
application of  
reserve

113. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

## DIVIDENDS.

Declaration  
of dividends

114. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

Payment of  
fixed dividends

115. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

Apportionment  
of dividends

116. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

Dividend to be  
paid only out  
of profits

117. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.

Treatment of  
pre-acquisition  
profits, etc.

118. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the

profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

Dividends not to  
bear interest

119. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

Retention of  
dividends

120. (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

Waiver of  
dividends

121. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

Unclaimed  
dividends

122. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

Payment of  
dividends in  
specie

123. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution,

the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Dividends payable  
by cheque or  
warrant

124. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. If on three consecutive occasions cheques or warrants in payment of dividends or other moneys payable on or in respect of any share have been sent through the post in accordance with the provisions of this Article but have been returned undelivered or left uncashed during the periods for which the same are valid, the Company need not thereafter despatch further cheques or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Transfer Office an address for the purpose.

Dividends returned  
undelivered

Receipt for  
dividends payable  
to joint holders

125. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### RECORD DATE.

Record date

126. Notwithstanding any other provision of these presents the Company or the Directors may by resolution specify any date (the "record

date") as the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may in the case of any of the aforesaid be on or at any time before the date on which the same is paid or made or may alternatively in the case of any dividend, distribution, interest, allotment or issue be at any time after the same is recommended, resolved, declared or announced, but in any of the aforesaid cases without prejudice to the rights *inter se* in respect of the same of transferors and transferees of any such shares or other securities.

### CAPITALISATION OF PROFITS AND RESERVES.

Power to capitalise  
profits

127. The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary Shares on the register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary Shares and applying such sum on their behalf in paying up in full unissued Ordinary Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid-up to and amongst them as capitalisation issue shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

### ACCOUNTS.

Inspection of books

128. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the



Office, or at such other place as the Directors think fit, and shall during business hours always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors or by a resolution of the Company in General Meeting.

Copies of accounts

129. A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these presents. Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. If all or any of the shares or debentures of the Company shall for the time being be listed or dealt in on The Stock Exchange, there shall be forwarded to the appropriate officer of The Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

#### AUDITORS.

Validity of acts of Auditor in spite of some formal defect

130. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

Auditor's right to receive notices of and to attend and speak at General Meetings

131. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

## NOTICES.

## Service of Notices

132. Any notice in writing or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

Service of Notices  
in respect of joint  
holdings

133. Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder who has no registered address in the United Kingdom and has not supplied an address within the United Kingdom for the service of notices and a joint holder who in accordance with Article 135 below is for the time being not entitled to receive notices from the Company shall be disregarded.

Service of Notices  
after death or  
bankruptcy of a  
member

134. A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company

have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

Members having no  
address within the  
United Kingdom

135. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

Non-delivery of  
Notices

136. If on three consecutive occasions notices have been sent through the post to any member at his registered address or his address for service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Transfer Office a new registered address or address within the United Kingdom for service of notices.

Notice of General  
Meetings in special  
circumstances

137. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two leading daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

Statutory  
requirements to  
prevail

138. Nothing in any of the preceding six Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

#### WINDING UP.

Directors' power to  
petition

139. The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

Distribution of  
assets in specie

140. Subject as otherwise provided in these Articles of Association, if the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members *in specie* or kind the whole or any part of the assets of the Company and

whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

### INDEMNITY

Indemnity of  
Directors, officers  
and employees of  
the Company

141. Subject to the provisions of and so far as may be consistent with the Statutes, every Director, Auditor, Secretary or other officer or employee of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to any thing done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

Companies Act 1985  
Company Limited by Shares

**PEARL ASSURANCE LIMITED**  
**Company No : 1419**

1. In accordance with Section 381A of the Companies Act 1985, the undersigned, being the only members of the Company who at the date of this resolution are entitled to attend and vote at a general meeting of the Company, hereby RESOLVE THAT:-
2. Pursuant to the provisions of Section 43 of the Companies Act 1985 the Company be and is hereby re-registered as a public company and that the Memorandum of Association of the Company be altered as follows:-
  - (a) in the first heading delete the words "Private Company Limited by Shares" and replace them with the words "Public Company Limited by Shares" so that it reads "Public Company Limited by Shares".
  - (b) in the second heading delete the word "Limited" and replace it with the words "Public Limited Company" so that it reads "Memorandum of Association of Pearl Assurance Public Limited Company".
  - (c) in clause 1 delete the word "Limited" and replace it with the words "Public Limited Company" so that it reads "The name of the Company is Pearl Assurance Public Limited Company".
  - (d) in clause 2 delete the word "Private" and replace with "Public" so that it reads "The Company is to be a Public Company".
3. On re-registration of the Company as a public limited company, the Articles of Association of the Company be amended as follows:
  - (a) in the first heading delete the words "Private Company Limited by Shares" and replace them with "Public Company Limited by Shares" so that it reads "Public Company Limited by Shares"; and
  - (b) in the second heading delete the word "Limited" and replace it with the words "Public Limited Company" so that it reads "Articles of Association of Pearl Assurance Public Limited Company"

  
for Pearl Group Ltd

  
Gerald Alistair Watson

Dated this 28 day of July 2005

