

Company No. 158900

COMPANIES ACT 1985

SPECIAL RESOLUTION

(Delivered pursuant to Section 380 of the Companies Act 1985)

of

THE WORLD AUXILIARY INSURANCE CORPORATION LIMITED

Passed on 26 APRIL 2000

At an Extraordinary General Meeting of the members of the above-named company, duly convened on 26 APRIL 2000 at 2.30 a.m./p.m. at St Helen's, 1 Undershaft, London EC3P 3DQ, the following resolution was duly passed as a SPECIAL RESOLUTION:

SPECIAL RESOLUTION

THAT the articles of association contained in the document produced to the meeting, and for the purpose of identification signed by the chairman thereof, be, and the same are, hereby approved and adopted as the new Articles of Association of the Company.

CERTIFIED TO BE A TRUE EXTRACT

For and on behalf of
The World Auxiliary Insurance Corporation Limited

S. Neel
Secretary

AUTHORIZED SIGNATORY
FOR AND ON BEHALF OF
OSU COMPANY
SECRETARIAL SERVICES LIMITED





THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

New Articles of Association

(Adopted on 26 APRIL 2000)

of

THE WORLD AUXILIARY INSURANCE CORPORATION LIMITED

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COMPANIES ACT 1985 (as amended)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

THE WORLD AUXILIARY INSURANCE CORPORATION LIMITED

INTERPRETATION

1. In these articles of association:-

“the Act” means the Companies Act 1985 as amended or re-enacted from time to time.

“clear days” in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

“executed” includes any method of execution.

“office” means the registered office of the Company from time to time.

“the holder” in relation to shares means the member of the Company whose name is entered in the register of members as the holder of the shares.

“the seal” means the common seal of the Company.

“secretary” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

“the United Kingdom” means Great Britain and Northern Ireland.

Unless the context requires another meaning to be given, words or expressions contained in these articles have the same meaning as is given to them in the Act but excluding any statutory modification of the Act not in force when these articles become binding on the Company.

SHARES

2. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights and restrictions as the Company may by ordinary resolution decide.
3. Subject to the provisions of the Act and to these articles, any unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the directors who may offer, allot, grant options over or otherwise dispose of them to such persons and upon such terms and conditions as the directors may decide.
4. The directors are generally and unconditionally authorised to allot all or any of the shares in the capital of the Company for the time being unissued at the time of adoption of these articles which are relevant securities at such time or times and on such terms (including time of allotment) as they think fit in the period of five years from the date of adoption of these articles.
5. At the end of the five year period referred to in article 4, the authority contained in article 4 shall expire, but such authority shall allow the Company to make an offer or agreement before the expiry of such authority which would or might require the allotment, grant of options over, conversion of any security into or other disposal of shares after the expiry of such authority, and the directors may allot, grant options over, convert any security into or otherwise dispose of shares under any such offer or agreement as if such authority had not expired.
6. Section 89(1) of the Act shall not apply to the allotment by the Company of any equity security or securities.
7. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by these articles.
8. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
9. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise any interest in any share except the absolute right of each holder to the entirety of each share held by him.

SHARE CERTIFICATES

10. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for

every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be executed either (if the Company has a seal) by the affixing of the seal in accordance with these articles or by the signatures of persons authorised in that regard by the directors and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on the shares to which it relates. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

11. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

12. 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) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.
13. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to any person entitled to it by transmission, demanding payment and stating that if the notice is not complied with the shares may be sold.
14. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale.
15. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as were existing upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

16. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid

by instalments. A call may, before receipt by the Company of any sum due in relation to that call, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

17. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of that share.
19. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
20. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these articles shall apply as if that amount had become due and payable by virtue of a call.
21. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
22. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
23. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
24. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and, at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
25. A person any of whose shares have been forfeited shall cease to be a member in respect

of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all monies which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or if no interest was so payable at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

26. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

27. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
28. For as long as the Company is the wholly-owned subsidiary of another company, a transfer in respect of any shares in the Company may be executed by a director or the secretary of that other company or some other authorised signatory of it notified in writing to the Company by that other company, and the directors of the Company shall be bound to accept such a transfer as validly executed on behalf of the other company.
29. Save for any transfer made by a holding company as described in article 28 (which the directors shall be bound to register), the directors may in their absolute discretion and, without giving any reason for so doing, decline to register the transfer of any share, whether or not it is a fully paid share.
30. If the directors refuse to register a transfer of a share, 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.
31. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
32. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
33. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to

the person lodging it when notice of the refusal is given.

34. The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:-
- (i) for a period of twelve years (a) no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member or to the person entitled by transmission to the share at his address on the Company's register of members, or the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent, has been cashed; (b) at least three dividends in respect of the shares in question have become payable; (c) no dividend has been claimed; and (d) no communication has been received by the Company from the member or the person entitled by transmission; and
 - (ii) the Company has on or after the expiration of the said period of twelve years by advertisement in both a national newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (i) of this article is located given notice of its intention to sell such share; and
 - (iii) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission.

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share and such transfer shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, such share. The Company shall account to the member or other person entitled to such share for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him in respect of the same. Any monies not accounted for to the member or other person entitled to such share shall be carried to a separate account and shall be a permanent debt of the Company. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company) as the directors may from time to time think fit.

TRANSMISSION OF SHARES

35. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing in these articles shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
36. A person becoming entitled to a share by transmission may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects

to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the event giving rise to its transmission had not occurred.

37. A person becoming entitled to a share by transmission shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

ALTERATION OF SHARE CAPITAL

38. The Company may by ordinary resolution:-

- (a) increase its share capital by new shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- (d) cancel 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 share capital by the amount of the shares so cancelled.

39. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

40. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

41. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in

respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

42. All general meetings other than annual general meetings shall be called extraordinary general meetings.
43. The directors may call general meetings and, on the requisition of members under the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

44. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:-
 - (a) in the case of an annual general meeting, by all the members entitled to attend and vote at that meeting; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Notice of every general meeting shall be given to all members other than any who, under the provisions of these articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and shall also be given to the directors and the auditors of the Company for the time being.

45. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

46. No business shall be transacted at any meeting unless a quorum is present. One member entitled to vote upon the business to be transacted, being present in person or by proxy or as a duly authorised representative of a corporation, shall be a quorum at any general meeting.

47. If such a quorum is not present within fifteen minutes from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
48. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within ten minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
49. If no director is willing to act as chairman, or if no director is present within ten minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
50. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
51. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
52. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-
- (a) by the chairman; or
 - (b) by any member having the right to vote at the meeting;
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
53. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

54. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
55. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
56. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
57. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs within a period of thirty days after the poll is demanded. The demand for a poll shall not prevent the meeting continuing for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
58. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
59. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

60. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and every proxy for any member (regardless of the number or the holdings of the members for whom he is a proxy) shall have one vote and on a poll every member shall have one vote for every share of which he is a holder.
61. In the case of joint holders 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 seniority shall be determined by the order in which the names of the holders stand in the register of members.
62. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder

may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these articles for the deposit of instruments of proxy, before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

63. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
64. On a poll votes may be given either personally or by proxy or, in the case of a member being a corporation, by its duly authorised representative.
65. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor, and shall be in such form that is usual or may be specified by the directors from time to time.
66. The instrument appointing a proxy and (if required by the directors) any authority under which it is executed or a copy of that authority (in a form approved by the directors) may be deposited at the office (or at such other place within the United Kingdom as may be specified by the directors) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, before the time appointed for the taking of the poll, and an instrument of proxy which is not so deposited or delivered shall be invalid. The directors may at their discretion treat a faxed or other electronically transmitted copy of an instrument appointing a proxy as such an instrument for the purpose of this article.
67. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

68. Unless and until otherwise determined by ordinary resolution there shall be no maximum number of directors and the minimum number shall be two.

ALTERNATE DIRECTORS

69. Any director (other than an alternate director) may appoint any other director, or any other person who is willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
70. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
71. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
72. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.
73. Save as otherwise provided in these articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

POWER OF DIRECTORS

74. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
75. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

76. The directors may delegate any of their powers (with power to sub-delegate) to any committee consisting of such person or persons (whether directors or not) as they think

fit. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying. References in these articles to a committee of directors or to a director as a member of such a committee shall include a committee established under this article or such person or persons.

APPOINTMENT AND REMOVAL OF DIRECTORS

77. Any member or members from time to time holding a majority in nominal value of such of the issued share capital for the time being of the Company as carries the right of attending and voting at general meetings of the Company (or any holding company of such member or members) shall have power to appoint any person as a director either as an additional director or to fill any vacancy and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by or on behalf of the relevant member or members, and shall take effect upon lodgment at the office.
78. Without prejudice to the foregoing, the directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.

DISQUALIFICATION OF DIRECTORS

79. The office of director shall be vacated if the director:
- (a) resigns his office by notice in writing to the Company; or
 - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (d) becomes of unsound mind; or
 - (e) is removed from office in accordance with the provisions of article 77.

REMUNERATION OF DIRECTORS AND DIRECTORS' EXPENSES

80. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.
81. The directors may be paid all travelling, hotel and other reasonable expenses properly

incurred by them in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

82. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.
83. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit unless the Company by ordinary resolution otherwise directs.
84. For the purposes of article 83:-
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
 - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

85. The directors may provide retiring pensions, annuities or other allowances and benefits, including (without limitation) by the payment of gratuities and allowances on death, to

any person or to the relations or dependants of any person in respect of services rendered by him to the Company as managing director, assistant managing director or in any other executive office or employment under the Company or any predecessor in business of the Company or indirectly as an executive officer or employee of any subsidiary or former subsidiary of the Company or of its holding company (or any predecessor in business of any such company) notwithstanding that he may be or may have been a director of the Company, and may make payments towards insurances, funds or trusts for such purposes in respect of such persons and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person.

PROCEEDINGS OF DIRECTORS

86. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notices of meetings of directors shall be given to all directors and to any alternate directors appointed by them except that it shall not be necessary to give notice of a meeting to a director or alternate director who is absent from the United Kingdom. Notice of the meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or at any other address given by him to the Company for this purpose, or by any other means (including, without limitation, by electronic mail) authorised in writing by the director concerned. A director may waive notice of any meeting. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
87. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
88. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purposes of filling vacancies or of calling a general meeting.
89. All or any of the directors or of the members of any committee of the board may participate in a meeting of the board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to communicate with each other. A person so participating 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 of the group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.
90. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do

so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

91. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, 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 and had been entitled to vote.
92. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or, as the case may be, a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors or members of the committee concerned; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
93. Subject to a director complying with the provisions of Section 317 of the Act, he shall be entitled to vote at a meeting of directors in respect of any contract or other arrangement in which he is interested and if he does so, his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.
94. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
95. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
96. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

SECRETARY

97. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by the directors.

MINUTES

98. The directors shall cause minutes to be made in books kept for the purpose:-
- (a) of all appointments of officers made by the directors; and
 - (b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

THE SEAL

99. The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

DIVIDENDS

100. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
101. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
102. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
103. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in

particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

104. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
105. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
106. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

ACCOUNTS

107. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

CAPITALISATION OF PROFITS

108. The directors may with the authority of an ordinary resolution of the Company:-
 - (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other. However, the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

- 109. Any notice to be given to or by any person under these articles shall be in writing or in any other form or manner (including electronic communication) which may have been approved under these articles.
- 110. The Company may give any notice to, or serve any document on, a member either personally, or by sending it by post in a pre-paid envelope addressed to the member at his registered address, or by leaving it at that registered address, or by sending it by fax or telex to a number provided by the member for this purpose, or by any other means (including, without limitation, by electronic mail) authorised by the member concerned. In the case of joint holders of a share, all notices and other documents shall be given to or served on the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given or any document so delivered shall be sufficient service on or delivery to all the joint holders.
- 111. 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 notice advertised on the same date in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto 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 six clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 112. A member present, either in person or by proxy, at the meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 113. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
- 114. Proof that an envelope containing any notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given or the document delivered. Any such notice or document shall be deemed to be given or delivered at the expiration of 24 hours after the time of posting. Any notice or document

left by the Company at a registered address otherwise than by post, or sent by fax or telex or other means of electronic transmission, shall be deemed to have been served or delivered when it was so left or sent.

115. A notice may be given by the Company to the persons entitled to a share by transmission by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

WINDING UP

116. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and with the like sanction determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

117. Subject to the provisions of the Act, the Company may purchase and maintain for any director, managing director, secretary or other officer or employee or agent of the Company or its auditors insurance against any liability. Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every person who is or has been a director, managing director, secretary or other officer or employee of the Company shall (to the extent the proceeds of any insurance policy against such liability are insufficient to meet such liability in full) be indemnified out of the assets of the Company against any liability relating to his conduct as, or incurred by him as, such director, managing director, secretary or other officer or employee of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144(3) or Section 144(4) or Section 727 of the Act in which relief is granted to him by the court; and, if the directors think fit, every agent and the auditors of the Company may be so indemnified against any liability incurred by him/them in defending any such proceedings.