

Company number: 00894616

THE COMPANIES ACTS 1948



COMPANIES HOUSE

09/06/2006

COMPANY LIMITED BY SHARES

COMPANIES HOUSE

24/05/2006

## MEMORANDUM OF ASSOCIATION

OF

## PHOENIX & LONDON ASSURANCE LIMITED

1. The name of the Company is Phoenix & London Assurance Limited<sup>1</sup>
2. The Registered Office of the Company is situate in England.
3. The objects for which the Company is established are:-
  - (1) To carry on the business of Life Assurance in all its branches.
  - (2) To carry on all or any kinds of assurance, insurance, indemnity or guarantee business in all or any of their respective branches and whether of a kind now known or hereafter devised including (but without prejudice to the generality of the foregoing) life assurance, fire insurance, marine insurance, accident insurance, aviation and transit insurance, motor vehicle insurance and engineering insurance.
  - (3) To grant and effect any kind of assurance or insurance and any contract of guarantee or indemnity against any kind of loss or damage to property or person occasioned in any manner whatsoever and against any other kind of risk or liability whether direct or indirect arising from the happening of any event or the fulfilment or

<sup>1</sup> The Company was incorporated as Sun Alliance and London Assurance Company Limited on 22 December 1966  
On 15 April 2005 the Company changed its name to Phoenix & London Assurance Limited

non-fulfilment of any contingency, obligation or undertaking whatsoever and generally to carry on and transact any and every kind of assurance or insurance which may legally be carried on or transacted and is not comprised in any of the above descriptions of business and to transact all kinds of business which are at present or may become incidental to the business of an insurance company.

- (4) To effect reinsurances and guarantees in connection with any of the classes of assurance or insurance or any class of contract which the Company is authorised to carry on or enter into.
- (5) To grant or sell and purchase or otherwise acquire annuities of all kinds.
- (6) To act as and undertake the duties of an executor or administrator of estates, trustee of wills and settlements and of trust deeds or other instruments constituting debentures, debenture stocks, bonds and other securities, and to act as and undertake the duties of a custodian trustee, a trustee for charitable or other institutions, a trustee for pension, benevolent or other funds, and as manager or director of businesses or companies whether limited or unlimited, and generally to act in a fiduciary capacity of any sort including the undertaking of all duties normally undertaken by a trust corporation and either with or without remuneration.
- (7) To receive money on deposit with or without interest, or deeds, securities or other documents or money or other property for safe custody or otherwise, with or without undertaking liability for any loss thereof or injury thereto and to act as registrars and transfer agents and either with or without remuneration.
- (8) To contract with property holders, borrowers, lenders, annuitants and others for the establishment, accumulation, provision and payment of sinking funds, redemption funds, depreciation funds, renewal funds, endowment funds and any other special funds, and that either in consideration of a single payment or of annual or other periodical payments or otherwise and generally on such terms and conditions as may be arranged.
- (9) To purchase and deal in and lend on reversionary or expectant interests absolute or contingent and estates (of life whether determinable or not and to acquire, lend money on, or extinguish by purchase or surrender, any policy, security or grant or contract issued by or binding on the Company or on any fund under the administration of the Company.

- (10) To pay satisfy or compromise any claims made against the Company in respect of any policies or contracts granted by or dealt in or entered into by the Company which claims the Company may deem it expedient to pay satisfy or compromise and to revive any policy that may have become void or lapsed on such terms and conditions and in such cases as may be deemed expedient or in lieu of reviving any such policy to grant any new policy or make any other concession in favour of the persons or any of the persons entitled to the lapsed or void policy or contract.
- (11) To lend advance and deposit money, securities and other property to and with such persons, companies, associations or Authorities and on such terms as may seem expedient, to act as the agent for the issue of any shares stocks funds debentures mortgages or securities and to underwrite, take part in underwriting or guarantee the subscription of the same and to subscribe for the same conditionally or otherwise.
- (12) To payout of the funds of the Company all expenses which the Company may lawfully pay for or incidental to the formation, registration and advertising of or raising money for the Company and the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting shares, debentures, debenture stock, securities or obligations.
- (13) To give to any class or section of those who insure or have dealings with the Company any rights over or in relation to any fund or funds or a right to participate in the profits of the Company or in the profits of any particular branch or part of its business either equally with other classes or sections or otherwise and to grant any special privileges advantages or benefits and to appropriate and set apart any such funds for specific purposes whether by way of trust or otherwise.
- (14) To invest the moneys of the Company in such manner as may from time to time be determined and to acquire for any estate or interest and to take options over, construct, improve and develop any property, real or personal, or rights of any kind in any part of the world.
- (15) To sell, exchange, mortgage, manage, let on rent, share of profit, royalty or otherwise, grant licences, easements, options, servitudes 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, stocks, debentures or other obligations or securities, whether fully or partly paid up, of any other company.

- (16) To promote or assist in promoting in any part of the world any company or association for the purpose of acquiring or taking over any of the property, rights or liabilities of the Company or for carrying on any business which the Company may be authorised to carry on or for any other purpose which may seem directly or indirectly calculated to benefit or promote the interests of the Company and to acquire and hold and dispose of shares, stocks, debentures or other obligations or securities of any such other company or association and to guarantee the fulfilment, of all or any of the obligations and engagements of any such company or association.
- (17) To acquire, amalgamate with or enter into partnership or any joint purse or profit-sharing arrangement with, or to co-operate or participate in any way with, or assist or subsidise any company, association or person carrying on or proposing to carry on any business or activity.
- (18) To borrow or raise or secure the payment of money in such manner and upon such terms as the Company may think fit and to enter into any guarantee, contract of indemnity or suretyship whether by personal covenant or otherwise and in particular but without limiting the generality of the foregoing to guarantee the payment of any money secured by or payable under or in respect of any shares, debentures, charges, contracts or securities or obligations of any kind of any person, firm, authority, or company, British or foreign, including in particular but without limiting the generality of the foregoing, any company which is (within the meaning of Section 154 of the Companies Act, 1948, or any statutory re-enactment or modification thereof), in relation to the Company a subsidiary or a holding company or a subsidiary of any such holding company and for any of such purposes to mortgage or charge the undertaking and all or any part of the property and rights of the Company both present and future, including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations
- (19) To draw, accept, endorse, discount, execute, issue and negotiate bills of exchange, promissory notes, debentures and other negotiable or transferable instruments.
- (20) To give any remuneration or other compensation or reward for services rendered or to be rendered in placing or procuring the subscription of, or otherwise assisting in the issue of, any shares, debentures, or other securities of the Company or in or about the formation of the Company or the conduct of its business.
- (21) To establish or promote, or concur or participate in establishing or promoting, any company the establishment or promotion of which shall be considered desirable in the interests of the Company and to subscribe for, underwrite, purchase or otherwise

acquire the shares, stocks and securities of any such company or of any company carrying on or proposing to carry on any business or activity.

- (22) To procure the registration or incorporation of the Company in or under the laws of any place outside England.
- (23) To subscribe or guarantee moneys for any national, charitable, benevolent, public, general or useful object, or for any exhibition or for any other purpose.
- (24) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, provident or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of its predecessors in business or any company which was or is its holding company or a subsidiary of the Company or its holding company or any other company which is or was allied to or associated with the Company or with any such subsidiary or holding company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and the wives, widows, families and dependants- of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well-being of the Company or of any such other company as aforesaid or of any such person as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public general or useful object and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (25) To place or allow to remain in the name or names or in the custody or within the legal control of any person or persons or company wherever resident or domiciled for and on behalf of or as trustees for the Company or any class of policy-holders any money investments securities or other property of the Company for the time being and to call upon such trustees for a transfer or reconveyance to the Company of any money investments securities or other property held by or vested in them.
- (26) To distribute any of the property of the Company among its Members in specie or kind.

- (27) To carry on any other business or activity and do anything of any nature which may seem to the Company capable of being conveniently carried on or done in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's business or property.
- (28) To do all or any of the things or matters aforesaid and all such things as are incidental to or may be considered conducive to the attainment of the above objects or any of them in any part of the world and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the objects specified in the different paragraphs of this clause shall not, except where the context expressly so requires be in anywise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

4. The liability of the Members is limited.
5. The share capital of the Company is £81,000,000 divided into 81,000,000 Shares of £1 each, and the Company shall have the power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.<sup>234</sup>

<sup>2</sup> The Company was incorporated with a share capital of £2 divided into 2 shares of £1 each

<sup>3</sup> By an ordinary resolution passed on 24th April 1967 the Share Capital of the Company was to £1,000,000 by the creation of an additional 999,998 Shares of £1.

<sup>4</sup> By Ordinary Resolution passed on 25 July 2001 the authorised share capital of the Company was increased to £81,000,000 divided into 81,000,000 shares of £1 each by the creation of an additional 80,000,000 shares of £1.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

**Names, Addresses and  
Descriptions of Subscribers**

**Number of shares taken by each  
subscriber**

Martin G. H. Bell,  
17 Throgmorton Avenue, London, EC2

One

Solicitor

Richard B. James  
17 Throgmorton Avenue, London, EC2

One

Solicitor

Dated this 15<sup>th</sup> day of December 1966

Witness to the above Signatures:-

Shirley A. Jones  
17 Throgmorton Avenue, London, EC2

Secretary

THE COMPANIES ACTS 1948

COMPANY LIMITED BY SHARES

## ARTICLES OF ASSOCIATION

OF

## PHOENIX & LONDON ASSURANCE LIMITED

### TABLE A

1. The regulations in Table A of the First Schedule to the Companies Act, 1948, shall not apply to the Company but the following shall be the regulations of the Company.
2. In the construction of these Articles the following words shall have the respective meanings hereby assigned to them, unless there be something in the subject or context inconsistent therewith:-
  - a. The Act means the Companies Act, 1948, and every statutory modification or re-enactment thereof for the time being in force.
  - b. Words denoting the singular number only shall include the plural number also, and *vice versa*.
  - c. Words denoting the masculine gender only shall include the feminine gender also.
  - d. Words denoting persons or companies only shall include corporations.
  - e. "Extraordinary Resolution" shall in the case of a meeting of the holders of any class of shares mean a. resolution passed by a majority consisting of not less than three fourths of the votes given upon the resolution.
  - f. "In writing" or "written" include printing, photography, lithography, typewriting and all other modes of representing or reproducing words in a visible form.
  - g. "Office" shall mean the registered office of the Company.
  - h. "Month" shall mean a calendar month.



- i. "The Board" shall mean the Board of Directors for the time being of the Company, or the Directors present at a duly convened meeting of Directors at which a. quorum is present.
- j. "Appointment" includes election and re-appointment.
- k. "The Secretary" shall (subject to the provisions of the Act) include a Joint, Deputy or Assistant Secretary, and any person appointed by the Board to perform any of the duties of the Secretary.
- l. "Share" includes "stock" except where a distinction between shares and stock is expressed or implied, and references to any particular class of shares shall be construed as including references to the particular class of stock corresponding to such class of shares.
- m. "Paid" in reference to shares includes "credited as Paid".
- n. "These presents" shall mean "these Articles of Association as now framed or as from time to time altered by Special Resolution ".

Subject as aforesaid my words or expressions defined in the Act shall, if not inconsistent with the context bear the same meaning in these Articles.

3. The Company shall be a Private Company within the meaning of the Act, and accordingly:-
  - a. The Board may without assigning any reason decline to register any transfer of shares.
  - b. The number of the Members of the Company (not including persons who are in the employment of the Company and persons who having been formerly in the employment of the Company, were while in that employment, and have continued after the determination of that employment to be Members of the Company) is limited to 50, but so that for the purpose of this Article, where two or more persons hold one or more shares in the Company jointly, they shall be treated as a single Member.
  - c. No invitation shall be made to the public to subscribe for any shares or debentures of the Company.

#### **SHARE CAPITAL**

4. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, or voting return of capital or otherwise as the Company may from time to time by ordinary resolution determine.

5. Subject to the provisions of Section 58 of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company may before the issue thereof by special resolution determine.

#### **MODIFICATION OF RIGHTS**

6. Subject to the provisions of Section 72 of the Act, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such shares. To any such general meeting all the provisions of these presents as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and that if at any adjourned meeting of such holders a quorum as above defined be not present those of such holders who are present shall be a quorum.
7. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

#### **SHARES**

8. Subject to the provisions of these presents, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer allot, grant options over or otherwise dispose of them to such persons at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount except in accordance with Section 57 of the Act.
9. The Company may exercise the powers of paying commissions conferred by Section 53 of the Act provided that the rate or amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and

partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

10. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions mentioned in Section 65 of the Act pay interest on so much of such share capital as is for the time being paid up and may charge the same to capital as part of the cost of construction of the works or buildings or the provision of the plant.
11. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or 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**

12. Every person whose name is entered as a Member in the Register shall be entitled, without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one, class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding two shillings and sixpence for every certificate after the first as the Board shall from time to time determine. In the case of a share held jointly by several persons, delivery of a certificate to one or several joint holders shall be sufficient delivery to all. Where a Member has transferred part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.
13. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the costs and out-of-pocket expenses of the Company of investigating such evidence, as the Board may think fit and in the case of defacement, on delivery of the old certificate to the Company.
14. All forms of certificate for shares or debentures or representing any other form of security (other than letters of allotment, scrip certificates and other like documents) shall be issued under the Common Seal and shall bear the autographic signatures of one or more Director's unless there shall be for the time being in force a resolution of the Board adopting some method of mechanical signature which is controlled by the Auditors, Transfer Auditors or Bankers of the Company, in which event such

signatures (if authorised by such resolution) may be effected by the method so adopted.

#### **LIEN**

15. The Company shall have a first and paramount lien and charge 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 and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that 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 time 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 Company's lien on a share shall extend to all dividends and other moneys payable thereon or in respect thereof. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
16. The Company may sell, in such manner as the Board may 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 the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.
17. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently 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 giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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 or invalidity in the proceedings in reference to the sale.

#### **CALLS ON SHARES**

18. The Board 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 amount of the shares or by way of premium) and not by the conditional allotment thereof made

payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him 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.

19. A call may be revoked or postponed as the Board may determine.
20. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
22. If a sum called in respect of a share be 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 10 per cent per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
23. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, 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, and 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.
24. The Board may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.
25. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent per annum as may be agreed upon between the Board and the Member paying such sum in advance. The Board may at any time on giving not less than three months notice in writing to such Member repay to him the amount by which any such advance exceeds the amount actually called up on the shares.

## TRANSFER OF SHARES

26. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.
27. The instrument of transfer of a share shall be signed by or on behalf of the transferor except in the case of a transfer of shares which are not fully paid up when it shall be signed by the transferee also. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.
28. The Board may decline to register any transfer unless:
  - a. the instrument of transfer, duly stamped, is lodged with the Company accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and
  - b. such fee, not exceeding *two shillings and sixpence*, as the Board may from time to time require is paid to the Company in respect thereof; and
  - c. the instrument of transfer is in respect of only one class of shares.
29. If the Board refuses to register a transfer it shall, within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal.
30. The Company shall be entitled to charge a fee of two shillings and sixpence on the registration of every *probate, letters of administration, certificate of death or marriage, power of attorney, distringas notice, order of court, or other instrument relating to or affecting the title to any share.*
31. The Board may suspend the registration of transfers and, subject to Section 115 of the Act, may close any Register at such times and for such periods (not exceeding in the case of each such Register *thirty days altogether in each year*) as it thinks fit.

## TRANSMISSION OF SHARES

32. In the case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons.

33. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.
34. If the person so becoming entitled elects to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he elects to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. 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.
35. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall not be entitled unless otherwise determined by the Board to receive any dividends or other moneys payable in respect of the share, nor shall he be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or to exercise in respect of the share any of the rights or privileges of a Member, until he shall have become registered as the holder thereof.

#### **FORFEITURE OF SHARES**

36. If a Member fails to pay any call or instalment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid 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 and any expenses which may have been incurred by the Company in consequence of such non-payment.
37. The notice shall name a further day (not being less than fourteen days from the date 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 at or before the time and at the place appointed the shares in respect of which such call was made or instalment is payable will be liable to be forfeited the Board may accept the surrender of any share liable to be forfeited hereunder, and in such case, references herein to forfeiture shall include surrender.
38. If the requirements of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof has been made, be forfeited by resolution of the Board to that effect. Such forfeiture shall

include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

39. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was before forfeiture the holder of the share or to the person who was before forfeiture entitled to the share by reason of the death or bankruptcy of the holder (as the case may be) but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
40. A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.
41. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceed 10 per cent per annum, from the date of forfeiture until payment.
42. A statutory declaration in writing that the declaring is a Director or the Secretary of the Company and that a share has been duly forfeited 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. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon 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 in reference to the forfeiture, sale, re-allotment or disposal of the share.
43. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may re-convert any stock into paid up shares of any denomination.
44. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of such



minimum but the minimum shall not exceed the nominal amount of the share from which the stock arose.

45. The holders of stock shall, according to the amount of the stock held by them, have the same rights, as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right (except participation in the dividends and in assets on a reduction of capital or a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right.
46. 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" herein shall include "stock" and "stockholder" respectively.

#### **INCREASE IN CAPITAL**

47. 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.
48. The Company may, by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of section 57 of the Act) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction or so far as the same shall not extend, the provisions of Article 8 shall apply to such shares.
49. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise.

#### **ALTERATIONS OF CAPITAL**

50. The Company may from time to time by ordinary resolution:-
  - a. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - b. subdivide 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 section 61 (1) (d) of the Act), and so that the resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares;

- c. 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 share capital by the amount of the shares so cancelled;

and may also by special resolution:-

- d. reduce its share capital or any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## **GENERAL MEETINGS**

- 51. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that, so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Board shall appoint.
- 52. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 53. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitions as provided by Section 132 of the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## **NOTICE OF GENERAL MEETINGS**

- 54. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days notice in writing at the least and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify that meeting as such and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of

these presents, entitled to receive such notices from the Company, and also to the Auditors for the time being of the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:-

- a. in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- b. in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him and that a proxy need not also be a Member.

55. *The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.*

#### **PROCEEDINGS AT GENERAL MEETINGS**

56. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and the appointments and the fixing of the remuneration of the auditors.
57. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed for the purposes of this Article to be personally present if represented by proxy or in accordance with the provisions of section 139 of the Act.
58. If within half an hour from the time appointed for the meeting a quorum be not present the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time or place as the chairman of the meeting may determine, and the provisions of Article 61 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes

from the time appointed for holding the meeting the Members present in person or by proxy shall be a quorum.

59. The Chairman (if any) of the Board or, in his absence, a Deputy Chairman (if any) or, in his absence, a Vice-Chairman (if any) shall preside as chairman at every general meeting of the Company.
60. If there be no such Chairman, Deputy Chairman, or Vice Chairman, or if at any meeting neither the Chairman nor a Deputy Chairman nor a Vice-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if none of them be willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present in person shall elect one of their number to be chairman
61. The chairman of the meeting may, with the consent of any 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 any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
62. At any general meeting a resolution put to the vote of the 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 be demanded (other than on one of the matters mentioned in Article (4) by:
  - a. the chairman of the meeting; or
  - b. at least three Members present in person or by proxy and entitled to vote; or
  - c. any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the Meeting; or
  - d. any Member or Members present in person or by proxy and holding shares conferring a right to vote at the Meeting on which there have been paid up sums in the aggregate equal to not less than one tenth of the total sum paid up on all shares conferring that right.

Unless a poll be so demanded and the demand be not withdrawn, declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority

or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

63. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before it is taken.
64. A poll may not be demanded on the election of a chairman of the meeting or on a question of adjournment.
65. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
66. A poll shall be taken at such time and place and in such manner as the chairman of the meeting shall direct.
67. If any votes shall be counted which ought not to have been counted or might have been rejected or if any votes shall not be counted which ought to have been counted the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the resolution.
68. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote.
69. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

#### **VOTES OF MEMBERS**

70. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under section 139 of the Act shall have one vote, and on a poll every Member who is present in person or by proxy shall have one vote for every £1 nominal amount of share capital registered in his name.
71. 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 in respect of the joint holding.

72. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.
73. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court, and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy.
74. No Member shall be entitled to be present or to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
75. 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 given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
76. On a poll votes may be given either personally or by proxy.
77. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing.
78. A proxy need not be a Member of the Company.
79. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed 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 a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.
80. Instruments of proxy shall be in such form as the Board may approve and the Board may, if it thinks fit send out with the notice of any meeting forms of instrument of proxy for use at the meeting.

81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death insanity, revocation or transfer shall have been received by the Company at the Office one hour at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

#### **DIRECTORS - NUMBER AND APPOINTMENT OF DIRECTORS**

82. Unless and until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than two.
83. The first Directors shall be the persons who shall be nominated in writing either before or after the incorporation of the Company by a majority of the subscribers to the Memorandum of Association. Until such appointment, the subscribers to the Memorandum of Association shall be deemed for all purposes to be the Directors.
- a. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of those present to appoint any person to be a Director, the board shall power at any time and from time to time to appoint any person (subject to provisions of section 185 of the Act) to be a Director, either to fill a casual vacancy or as an addition to the existing Board.
  - b. No person shall, unless recommended by the Board, be eligible for the election to the office of Director in any general meeting unless, not less than seven and not more than twenty-eight clear days before the day appointed for the meeting, there shall have been given to the secretary notice in writing by some member duly qualified to be present 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.
  - c. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director from office and may (subject to Article 83(b) or to the said provisions as the case may be) by ordinary resolution appoint another person in his stead.
  - d. subject to the provisions of the Article 83(B) the Company may also in general elect any person to be Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors should not at any time exceed any maximum number fixed by the Company in a general meeting.

- e. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

84. A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Board shall arrange.

85. A Director may be or become a director or other officer of, or otherwise interested in, any Company whether promoted by the Company or not or in which the Company may be interested as member or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a Director or officer of or from his interest in such other company, unless the Company otherwise direct. The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of their number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company. A Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or be about to become a director or officer of such other company and as such or in any other manner is or may be interested in the exercise of such voting rights in manner aforesaid.

86.

- a. No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason such Director holding that office or of the fiduciary relationship thereby established.
- b. The nature of a Directors interest must be declared by him at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Board held after he became so interested and in a case where the Director becomes interested in a contract or arrangement after it is made at the first meeting of the Board held after he becomes so interested. A general notice to the Board by a Director that he is a member of any specified



firm or company and is to be regarded as interested in any contract or transaction which may after the date of the notice be made with such firm or company shall (if such Director shall give the same at a meeting of the Board or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Board after it is given) be a sufficient declaration of interest in relation to such contract or transaction under this Article and after such general notice it shall not be necessary to give any special notice relating to any particular contract or transaction with such firm or company.

- c. No Director shall as a Director vote in respect of any contract or arrangement which he shall make with the Company or in which he is so interested as aforesaid and if he does so vote his vote shall not be counted but such prohibition against voting shall not apply to (i) any contract by or on behalf of the Company to give to the Directors or any of them any security by way of indemnity or in respect of any advances made by them or any of them or (ii) any contract or dealing with a corporation where the sole interest of a Director is that he is a director, member or creditor of such corporation or (iii) any act or thing to be done under Article 94 or (iv) any resolution to allot shares or debentures or other obligations to any Director of the Company or to pay to him a commission in respect of the subscription thereof, and it may be at any time or times suspended or relaxed to any extent by the Company by Ordinary Resolution.
- d. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting of the Board whereat he or any other Director is appointed to hold any other office or place of profit under the Company or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

#### **QUALIFICATION AND REMUNERATION OF DIRECTORS**

- 87. The Director shall not be required to hold any share qualification.
- 88. The Directors shall be entitled to receive by way of fee in each year such sum (if any) as may be voted to them by the Company in General Meeting. Such fee shall be deemed to accrue from day to day.

#### **POWERS OF DIRECTORS**

- 89. The business of the Company shall be managed by the Board, who may exercise all the powers of the Company, subject, nevertheless, to the provisions of the Act and of these presents and to such regulations (being not inconsistent with any such provisions) as may be prescribed by the Company in General Meeting, but no

regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

90. Without restricting the generality of the foregoing powers the Board may do the following things:

- a. Establish branch offices, agencies or local boards in England or elsewhere, and make such regulations for their management, and so define their duties and fix their remuneration as the Board may from time to time think proper.
- b. Appoint, from time to time, any one or more of their number to be Managing Director or Managing Directors, on such terms as to remuneration, and with such powers and authorities, and for such period as they deem fit, and may, subject to the terms of any agreement entered into in any particular case, revoke such appointment. A Managing Director so appointed shall (subject to the provisions of any such agreement as aforesaid) be subject to the same provisions as to resignation and removal as the other Directors of the Company but if he shall cease to hold the office of Director from any cause he shall *ipso facto* and immediately cease to be Managing Director provided further that no Managing Director shall by virtue only of holding such office be entitled to exercise any of the powers, authorities or discretions of the Board but only such powers, authorities or as shall be conferred on him by resolution of the Board.
- c. Appoint any person or persons, whether a Director or Directors of the Company or not, to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes, and execute and do all such instruments, and things as may be requisite in relation to any such trust.
- d. Appoint, in order to execute any instrument or transact any business in the United Kingdom or abroad, any person or persons the attorney or attorneys of the Board or the Company with such powers as they deem fit, including power to appear before all proper authorities and make all necessary declarations so as to enable the Company's operations to be validly carried on abroad.
- e. Make, draw, accept, endorse and negotiate respectively promissory notes, bills, cheques, or other negotiable instruments, provided that every promissory note, bill, cheque or other negotiable instrument drawn, made or accepted, shall be signed by such person or persons as the Board may appoint for the purpose.

- f. Make and give receipts, releases, and other discharges for money payable to the Company, and for the claims and demands of the Company.
- g. Invest or lend the funds of the Company not required for immediate use in or upon such investments as they deem fit (other than shares of the Company), and from time to time transpose any investment.
- h. Grant to any Director required to go abroad or to make any special exertions for any of the purposes of the Company or to render any other services, which in the opinion of the Board are outside the scope of the ordinary duties of a Director, such special remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in another) for the services rendered as they think proper.
- i. Give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company.
- j. Execute in favour of any Director or other person who may incur or be about to incur any personal liability on behalf or for the benefit of the Company, such mortgages or charges on the undertaking, or the whole or any part of the property, present or future, or uncalled Capital of the Company, as they think fit, and any such mortgage or charge may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- k. Sell, let, exchange, or otherwise dispose of, absolutely or conditionally, all or any part of the property, privileges, and undertakings of the Company, upon such terms and conditions, and for such consideration as they may think fit.
- l. Institute, conduct, defend, compound, or abandon any legal proceedings by and against the Company or its officers, or otherwise concerning the affairs of the Company and compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company.
- m. Subscribe to any fund, corporation, or institution whether incorporated or not incorporated and act by delegate or otherwise upon any trade council, committee, chamber of commerce, syndicate or other body of persons formed to promote lawfully either the general interests or, the trades to which the business of the Company is allied or any other business that may be conducive to the interests of the Company.
- n. Enter into, rescind or vary any contract or arrangement made or to be made with the Company, and execute all documents and do all things in relation to such matters or other wise for or on behalf of or for purposes of the

Company.

- o. Provide for the safe custody of the Common Seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf and in the presence of such person or persons as the Board may from time to time by resolution determine and (subject as provided in Article 14) such person or persons shall sign every instrument to which the Seal shall be affixed in his or their presence and, in favour of any person *bona fide* dealing with the Company, such signature or signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

91. The Company, or the Board on behalf of the Company, may cause to be kept in any part of Her Majesty's dominions outside the United Kingdom, the Channel Islands or the Isle of Man in which the Company transacts business, a branch register or registers of Members resident in such part of the said dominions, and the Board may (subject to the provisions of the Act) make and vary such regulations as they may think fit respecting the keeping of any such register.

92. The Company may have an official seal for use abroad under the provisions of the Act, where and as the Board shall determine, and the Company may by writing under the Common Seal appoint any agents or agent, committees or committee abroad, to be the duly authorised agents of the Company, for the purpose of affixing and using such official seals, and may impose such restrictions on the use thereof as shall be thought fit. Wherever in these presents reference is made to the Common Seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

#### **BORROWING POWERS**

93. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, 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.

#### **PENSION FUNDS**

94. The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of its predecessors in business or any company which is or was its holding company or a subsidiary of the Company or

its holding company or any other company which is or was allied to or associated with the Company or with any such subsidiary or holding company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid whether or not holding any salaried employment or office in the Company or such other company and the wives, widows, families and dependants of any such persons, and also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any other such company as aforesaid, or of any such person as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for any charitable or benevolent objects or for any exhibition, or for any public, general or useful object, and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Subject always, if any statute shall so require, to particulars with respect to the proposed payment being disclosed to the Members of the Company and to the proposal being approved by the Company, any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension allowance or emolument.

[Articles 95-102 (inclusive) were deleted pursuant to a resolution of the shareholder dated 1 March 1972].

#### **PROCEEDINGS OF DIRECTORS**

- 103.** The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined the quorum shall be two directors. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom.
- 104.** The Chairman may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.
- 105.** Questions arising at any meeting shall be decided by a majority vote, and in case of an equality of votes the Chairman shall have a second or casting vote.
- 106.** A resolution in writing signed by all the Directors (at the time being in the United Kingdom) if constituting a majority of the Directors shall be as effective as a resolution passed at a meeting of the Board duly convened and held. Such resolution may consist of several documents in the like form each signed by one or more of the Directors.
- 107.** The Board may elect a Chairman, not more than two Deputy Chairman and not more than three Vice-chairman of its meetings and determine the period for which

they are respectively to hold office. If no such Chairman, Deputy Chairman or Vice-Chairman be elected or if at any meeting neither the Chairman nor a Deputy Chairman nor a Vice-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the Meeting.

108. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
109. The meetings and proceedings of any such Committee, consisting of two or more members, shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the last preceding Article.
110. All acts done by the Board or by any committee or by any person acting as a Director or member of a committee, notwithstanding it be afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them had vacated office, shall be as valid as if every such person had been duly appointed and had continued to be a Director or a member of such committee.
111. The Board shall cause minutes to be made of all proceedings of General Meetings and of meetings of the Board or Committees of the Board, and any such minutes, if purporting to be signed by the Chairman of that meeting, or by the Chairman of the next succeeding meeting, shall be evidence of the Proceedings.

#### **VACATION OF OFFICE AND DISQUALIFICATION OF DIRECTORS**

112. The office of a Director shall be vacated in any of the events following, namely:-
  - a. If he resigns his office by writing under his hand left at the Office;
  - b. If he be found lunatic or become of unsound mind or have a receiving order made against him or compound with his creditors;
  - c. If, without leave, he is absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated;
  - d. If he be prohibited from being a Director by reason of any order made under section 188 of the Act;
  - e. If he cease to be a Director by virtue of section 182 or 185 of the Act or be

removed from office pursuant to Article 102.

- f. If, unless authorised to do so by resolution of the Directors, he becomes or, upon being appointed to the Board, continues to be a director or other officer of or in any other manner {except as the holder of shares or debentures} interested in any other company or society transacting any kind of insurance or assurance business, or a partner in or an employee of any firm transacting any such business or if, unless so authorised, he transacts or upon being appointed as aforesaid continues to transact any such business on his own account.

#### **SECRETARY**

- 113.** The Secretary shall be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit. Anything by the Act required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. Provided that any provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

#### **REGISTER OF DIRECTORS' SHARE AND DEBENTURE HOLDINGS**

- 114.** The register of Directors' share and debenture holdings shall be kept at the Office and shall be open to the inspection of any member or holder of debentures of the Company or of any person acting on behalf of the Board of Trade between the hours of 10 am and noon on each day during which the same is bound to be open for inspection pursuant to the Act. The said register shall also be produced at the commencement of each Annual General Meeting and shall remain open and accessible during the continuance of the Meeting to any person attending the Meeting.

#### **DISTRIBUTION OF LIFE PROFITS**

- 115.**
- i. The Directors shall, once every three years or at such shorter intervals as may be determined by them, cause an investigation to be made by an Actuary into the financial condition and the profits of the Life Assurance and Annuity Business of the Company and shall determine the amount of profit (if any) to be declared divisible.

- ii. Of such declared divisible profit, such proportion as shall be determined by the Directors being not less than ninety per cent thereof shall be appropriated to the life policies of the Company which carry rights of participation under the profits in accordance with the terms of such policies and otherwise on such principles and in such a manner as the Directors shall from time to time determine, and the balance shall be appropriated to the account of the members.
- iii. If before the expiration of any such period of three years or other period as aforesaid any life policy which carries the right of participation in profits becomes a claim or if the circumstances in relation to any such policy or otherwise in the opinion of the Board warrant such a course the Board may in their discretion appropriate to the said policy such a sum by way of intermediate participation in profits as they think just and equitable and all sums so appropriated shall be brought into account at the end of such period of three years or other period for the purpose of paragraph (ii) above.

## **DIVIDENDS**

- 116. The Board may at each Annual General Meeting declare dividends and may pay the same to the Members according to their rights and interests in the profits but no dividend shall be payable except out of the profits of the Company. The Board may also from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company and may pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.
- 117. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid upon the share and such amount shall carry interest only. All dividends shall be apportioned and paid pro rata according 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 be issued on terms providing that it shall rank for dividend as from a particular date or for all dividends declared after a particular date such share shall rank for dividend accordingly.
- 118. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
- 119. No dividend shall bear interest against the Company.
- 120. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his



registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the registered holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

121. The payment by the Board of any unclaimed dividend, interest or other sum 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.

#### **RESERVES**

122. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.
123. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

#### **CAPITALISATION OF PROFITS**

124. The Company in general meeting may, upon the recommendation of the Board, at any time and from time to time pass a resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or of any capital redemption reserve fund (as defined in section 58 of the Act) and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being

unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up amongst such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that for the purposes of this Article, a share premium account and a capital redemption reserve fund (as so defined) may be applied only in the paying up of unissued shares to be issued to such Members of the Company credited as fully paid.

125. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

#### ACCOUNTS

126. The Board shall cause to be kept such books of account as are necessary to comply with the Act.
127. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.
128. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
129. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not less than twenty-one days before the date of meeting be sent to every Member and to every holder of debentures of the Company. Provided that this Article shall not require copies of such documents to be sent to any person to whom, by virtue of paragraph (of the proviso to sub-section (1) of section 158 of the Act, the Company is not required to send the same, nor to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures.

## AUDIT

130. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

131. Any notice or other document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid. In the case of joint holders of a share, all notices shall unless such holders otherwise in writing direct be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.
132. Any Member described in the Register by an address not within the United Kingdom who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.
133. Any notice or other document, if served by post, shall be deemed to have been served 24 hours after the time when the same was put into the post, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post.
134. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING UP

135. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the contributories, divide among the contributories in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

136. Subject to the provisions of section 205 of the Act, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in paragraph (b) of the proviso to section 205 of the Act) which he may sustain or incur in or about the execution of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

**Names, Addresses and Descriptions of Subscribers**

Martin G. H. Bell,  
17 Throgmorton Avenue, London, EC2

Solicitor

Richard B. James  
17 Throgmorton Avenue, London, EC2

Solicitor

Dated this 15<sup>th</sup> day of December 1966

Witness to the above Signatures:-

Shirley A. Jones  
17 Throgmorton Avenue, London, EC2

Secretary