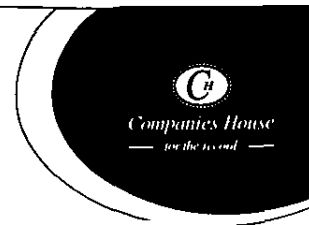


# CB01

## Notice of a cross border merger involving a UK registered company



FR THURSDAY



\*LDOIVQ6V\*  
LD5 23/12/2010 51  
COMPANIES HOUSE  
\*LCL40Q0C\*  
LD7 17/12/2010 130  
COMPANIES HOUSE

☒ What this form is for  
You may use this form  
to give notice of a cross border  
merger between two or more  
limited companies (including a  
UK registered company)

☒ What this form is NOT for  
You cannot use this form to give  
notice of a cross border merger  
between companies outside the  
European Economic Area (EEA)

### Part 1 Company details

Company number of UK merging company	0	1	5	5	0	5	0	5
Company name in full of UK merging company	NOMURA INTERNATIONAL PLC							

→ Filling in this form  
Please complete in typescript, or in  
bold black capitals  
All fields are mandatory unless  
specified or indicated by \*

### Part 2 Merging companies

Please use Section A1 and Section B1 to fill in the details for each merging  
company (including UK companies). Please use a CB01 continuation page to  
enter the details of additional merging companies

#### A1 Merging company details

Full company name	NOMURA INTERNATIONAL PLC							
Registered number	0	1	5	5	0	5	0	5
	Please enter the registered office address							
Building name/number	LEGAL DEPARTMENT, NOMURA HOUSE							
Street	1 ST MARTIN'S-LE-GRAND							
Post town	LONDON							
County/Region								
Postcode	E	C	1	A		4	N	P
Country	UNITED KINGDOM							
Legal form and law	PUBLIC LIMITED COMPANY FORMED PURSUANT TO ENGLISH LAW							
Member state and registry	REGISTRAR OF COMPANIES FOR ENGLAND AND WALES, UNITED KINGDOM, COMPANIES HOUSE CROWN WAY MAINDY, CARDIFF CF14 3UZ UK							

- ① Merging Company details  
Please use Section B1 to enter  
the details of the second merging  
company
- ② Registered number  
Please give the registered number  
as it appears in the member  
state registry
- ③ Legal entity and governing law  
Please enter the legal form and law  
which applies to the company
- ④ Member state and registry  
Please enter the name of the  
member state and the name and  
address of the registry where  
documents are kept

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**B1****Merging company details<sup>①</sup>**

Full company name	NOMURA ITALIA SOCIETÀ DI INTERMEDIAZIONE MOBILIARE P A									
Registered number <sup>②</sup>	9	0	4	6	6	2	0	1	5	0
	Please enter the registered office address									
Building name/number										
Street	PIAZZA DEL CARMINE 4									
Post town	MILAN									
County/Region										
Postcode	2	0	1	1	1					
Country	ITALY									
Legal form and law <sup>③</sup>	JOINT-STOCK COMPANY (SOCIETÀ PER AZIONI) FORMED PURSUANT TO ITALIAN LAW									
Member state and registry <sup>④</sup>	ITALY REGISTER OF ENTERPRISES OF MILAN VIA MERAUIGLI 11/A, 20136 MILAN, ITALY.									

**① Merging Company details**

Please use a CB01 continuation page to enter the details of additional merging companies

**② Registered number**

Please give the registered number as it appears in the member state registry

**③ Legal entity and governing law**

Please enter the legal form and law which applies to the company

**④ Member state and registry**

Please enter the name of the member state and the name and address of the registry where documents are kept

**Part 3****Details of meetings<sup>⑤</sup>**

If applicable, please enter the date, time and place of every meeting summoned under regulation 11 (power of court to summon meeting of members or creditors)

**Details of meeting**

Date	d	d	m	m	y	y	y	y
Time								
Place								

**Details of meeting**

Date	d	d	m	m	y	y	y	y
Time								
Place								

**Details of meeting**

Date	d	d	m	m	y	y	y	y
Time								
Place								

**Details of meeting**

Date	d	d	m	m	y	y	y	y
Time								
Place								

**⑤ Details of meetings**

For additional meetings held under regulation 11, please use a CB01 continuation page

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Notice of a cross border merger involving a UK registered company

**Part 4**

**Documentation and signature**

Please ensure the following documents are enclosed with this form

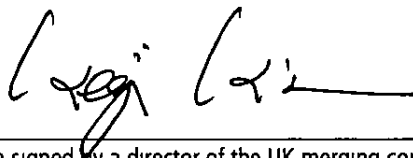
- A copy of the draft terms of merger
- If applicable, a copy of any order made where the court has summoned a meeting of members or creditors

I am signing this form on behalf of the UK merging company

Signature

Signature

X



X

This form may be signed by a director of the UK merging company on behalf of the Board

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Notice of a cross border merger involving a UK registered company

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **PETER ORLOV**Company name **FRESHFIELDS BRUCKHAUS****DERINGER LLP**Address **65 FLEET STREET**Post town **LONDON**

County/Region

Postcode

**E C 4 Y 1 H S**Country **UNITED KINGDOM**DX **23 CHANCERY LANE**Telephone **+44 20 7936 4000****Checklist**

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following**

- ☐ The company name and number of the UK merging company match the information held on the public Register
- ☐ You have completed the details of each merging company in Part 2
- ☐ You have completed Part 3
- ☐ You have enclosed the relevant documentation referred to in Part 4
- ☐ You have signed the form in Part 4

**Important information**

**Please note that all information on this form will appear on the public record**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below**

**For companies registered in England and Wales**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**

## DRAFT OF THE PROPOSED TERMS OF THE CROSS-BORDER MERGER

This draft of the proposed terms of cross-border merger (hereinafter, the **Merger Plan**) for the merger by absorption (hereinafter, also the **Merger**) of Nomura Italia Società di Intermediazione Mobiliare pA, a company incorporated under the laws of Italy, with registered office in Piazza del Carmine 4, 20121, Milan, Italy, and issued share capital equal to Euro 2,080,000, registered with the Register of Enterprises of Milan with number 09046620150, registered in the list held by the supervisory authority for the Italian financial products market (hereinafter, **Consob**) pursuant to article 20 of Legislative Decree 58/1998 with no 114 (hereinafter, the **Company to be Absorbed**) with and into Nomura International plc, a company incorporated under the laws of England and Wales, with its registered office at Nomura House, St. Martin's-le-Grand no 1, London EC1A 4NP, United Kingdom, with a total issued share capital of 4,849,131,581 issued shares and an aggregate nominal value of its issued shares of US\$ 4,849,131,581, registered with the Registrar of Companies for England and Wales with company number 1550505, (hereinafter, **NIP** or the **Absorbing Company**) (hereinafter, the Company to be Absorbed and the Absorbing Company are jointly referred to as the **Merging Companies**) is drafted according to article 2501-ter of the Italian civil code, article 5 of the directive 2005/56/EC (hereinafter, the **Directive**), article 6 *et seq* of Legislative Decree no. 108 of 30 May 2008 of the Republic of Italy (hereinafter, the **Decree**) and regulation 7 of The Companies (Cross-Border Mergers) Regulations 2007 (hereinafter, the **UK Regulations**)

### Whereas

- (a) The issued share capital of the Company to be Absorbed is currently divided as follows
  - (i) 400 ordinary shares of nominal value of Euro 52 each, representing 1% (one percent) of the share capital are owned by

## PROGETTO DI FUSIONE TRANSFRONTALIERA

Il presente progetto di fusione (di seguito, il **Progetto di Fusione**) per l'incorporazione (in seguito, anche la **Fusione**) di Nomura Italia Società di Intermediazione Mobiliare p.A., società di diritto italiano, con sede legale in Piazza del Carmine 4, 20121 Milano, Italia, capitale sociale emesso pari a Euro 2 080 000, iscritta al Registro delle Imprese di Milano al numero 09046620150, iscritta all'albo tenuto dalla Commissione nazionale per le società e la borsa (di seguito, **Consob**) ai sensi dell'art. 20 del D lgs 58/1998 con il n 114, (di seguito, la **Società Incorporanda**) in Nomura International plc, società di diritto inglese, con sede legale in Nomura House, St. Martin's-le-Grand n 1, Londra EC1A 4NP, Regno Unito, con capitale sociale totale emesso rappresentato da 4 849.131 581 azioni e un valore complessivo nominale delle azioni emesse pari a Dollari USA 4 849 131 581, iscritta presso il "Registrar of Companies for England and Wales" al numero 1550505 (di seguito, **NIP** o la **Società Incorporante**) (di seguito, la Società Incorporanda e la Società Incorporante collettivamente indicate anche come le **Società Partecipanti alla Fusione**), è redatto ai sensi dell'articolo 2501-ter del codice civile italiano, dell'articolo 5 della direttiva 2005/56/CE (di seguito, la **Direttiva**), degli articoli 6 e seguenti del D Lgs n. 108 del 30 maggio 2008 della Repubblica Italiana (di seguito, il **Decreto**) e dell'articolo 7 delle Companies (Cross-Border Mergers) Regulations 2007 (di seguito, le **UK Regulations**)

### Premesso che

- (a) Il capitale sociale emesso della Società Incorporanda è ad oggi suddiviso come segue.
  - (i) n. 400 azioni ordinarie, del valore nominale di Euro 52,00 ciascuna, rappresentanti l'1% (uno per cento) del capitale sociale, sono possedute

NIP (the *NIP Shareholding*),

- (ii) 39,600 ordinary shares, of nominal value of Euro 52 each, representing 99% (ninety nine percent) of the share capital, are owned by Nomura Europe Holdings plc, a public limited company incorporated under the laws of England, with its registered office at Nomura House, St Martin's-le-Grand no 1, London EC1A 4NP, United Kingdom, with a share capital of US\$ 4,380,501,400, and registered as a company with the Registrar of Companies for England and Wales, with company number 3536674 (hereinafter, *NE Holdings*),

- (b) it is envisaged that, prior to the execution of the deed of Merger (*atto di Fusione*), the NIP Shareholding will be transferred to NE Holdings, so that, prior to the execution of the deed of Merger (*atto di Fusione*) and, hence, prior to the effective date (*data di efficacia*) of the Merger, all the 40,000 ordinary shares, of nominal value of Euro 52 each representing 100% (one hundred percent) of the share capital of the Company to be Absorbed will be owned by NE Holdings,
- (c) the issued share capital of the Absorbing Company (being 4,849,131,581 ordinary shares, each of a nominal value of US\$ 1, representing 100% of the issued share capital) is entirely owned by NE Holdings;
- (d) as indicated in recitals (a), (b) and (c), NE Holdings, at present, directly owns (i) 99% of the share capital of the Company to be Absorbed (and will own 100% of the Company to be Absorbed prior to the execution of the deed of Merger (*atto di Fusione*) and, hence, prior to the effective date (*data di*

da NIP (la *Partecipazione NIP*);

- (ii) n 39 600 azioni ordinarie, del valore nominale di Euro 52,00 ciascuna, rappresentanti il 99% (novantanove per cento) del capitale sociale, sono possedute da Nomura Europe Holdings plc, società "public limited" di diritto inglese, con sede legale in Nomura House, St Martin's-le-Grand n 1, Londra EC1A 4NP, Regno Unito, con un capitale sociale pari a Dollari USA 4 380 501 400, iscritta come società presso il "Registrar of Companies for England and Wales" al numero 3536674 (di seguito *NE Holdings*),

(b) è previsto che, prima della stipulazione dell'atto di Fusione, la Partecipazione NIP verrà trasferita a NE Holdings, con la conseguenza che, prima della stipulazione dell'atto di Fusione e, dunque, prima della data di efficacia della Fusione, tutte le 40 000 azioni ordinarie del valore nominale di Euro 52 ciascuna, rappresentanti il 100% (cento per cento) del capitale sociale della Società Incorporanda, saranno possedute da NE Holdings,

(c) il capitale sociale emesso dalla Società Incorporante (rappresentato da 4 849.131.581 azioni ordinarie, ciascuna del valore nominale di 1,00 Dollaro USA, costituenti il 100% del capitale sociale emesso) è interamente posseduto da NE Holdings,

(d) come indicato nelle premesse (a), (b) e (c), NE Holdings al momento possiede, direttamente, (i) il 99% del capitale sociale della Società Incorporanda (e possederà il 100% del capitale sociale della Società Incorporanda, prima della stipulazione dell'atto di Fusione e, dunque, prima della data di efficacia della

efficacia) of the Merger) and (ii) 100% of the share capital of the Absorbing Company (which, in turn, currently owns a shareholding of 1% in the Company to be Absorbed). Therefore, the entire issued share capital of the Company to be Absorbed and of the Absorbing Company is (and will continue to be) directly or indirectly held by NE Holdings;

- (e) the Absorbing Company and the Company to be Absorbed have agreed to merge by way of absorption of the latter with and into the former;
- (f) the Merger is structured as a merger by way of absorption of the Company to be Absorbed with and into the Absorbing Company, through a cancellation of the shares of the Company to be Absorbed held by its shareholders and issue and allotment by the Absorbing Company of new ordinary shares to NE Holdings (as shareholder of the Company to be Absorbed) (see also recital (i) below). The issue of new ordinary shares of the Absorbing Company shall be within the existing limits of the director's authority to allot new shares (and will not hence require a shareholders' resolution in relation thereto) of the Absorbing Company. The aforementioned cancellation of the shares of the Company to be Absorbed and the issue of new ordinary shares of the Absorbing Company shall take place in accordance with the share exchange ratio indicated below. Each of the current shareholders of the Merging Companies has indicated, to the respective Boards of Directors, its agreement to waive the preparation of the independent experts' report on the fairness of the share exchange ratio set forth under article 2501-*sexies* of the Italian civil code, under article 9, paragraph 4, of the Decree and under regulation 9 of the UK Regulations. The shareholders have deemed such waiver to be appropriate also considering the

Fusione) e (ii) il 100% del capitale sociale della Società Incorporante (la quale a propria volta attualmente possiede l'1% del capitale sociale della Società Incorporanda). Pertanto, sia l'intero capitale sociale della Società Incorporanda che l'intero capitale sociale della Società Incorporante sono (e continueranno ad essere) direttamente o indirettamente posseduti da NE Holdings,

la Società Incorporante e la Società Incorporanda hanno convenuto di addivenire alla Fusione mediante incorporazione della seconda nella prima,

la Fusione sarà realizzata attraverso l'incorporazione della Società Incorporanda nella Società Incorporante, con annullamento delle azioni della Società Incorporanda possedute dagli azionisti di questa, e con l'emissione e l'assegnazione da parte della Società Incorporante di nuove azioni ordinarie a NE Holdings (quale socio della Società Incorporanda) (vedi anche premessa (i) che segue). L'emissione di nuove azioni della Società Incorporante avverrà nei limiti del potere conferito agli amministratori di emettere nuove azioni (e non richiederà, pertanto, un'apposita deliberazione da parte dei soci della stessa) della Società Incorporanda. Il sopradetto annullamento delle azioni della Società Incorporanda e l'emissione di nuove azioni ordinarie della Società Incorporante avverrà secondo il rapporto di cambio *infra* indicato. Ciascun attuale socio delle Società Partecipanti alla Fusione ha già manifestato ai rispettivi consigli di amministrazione il proprio consenso a rinunciare alla predisposizione della relazione degli esperti sulla congruità del rapporto di cambio prevista dall'articolo 2501-*sexies* del codice civile italiano, dall'articolo 9, comma 4, del Decreto e dall'articolo 9 delle UK Regulations. I soci hanno ritenuto opportuna tale rinuncia, anche in considerazione della sopra descritta

above described shareholding structure of the Company to be Absorbed and of the Absorbing Company (whose issued share capital is, and will continue to be, directly or indirectly held by NE Holdings) As the report is unnecessary, there is no need to appoint an expert for its preparation,

(g) the Absorbing Company intends to continue the business currently carried out by the Company to be Absorbed through a branch (*sede secondaria*) to be established in Italy by the Absorbing Company before completion of the Merger;

(h) the Merger involves a company incorporated under and governed by Italian law and a company incorporated under and governed by the laws of England and Wales Therefore, the Merger should be carried out having regard to the following provisions:

(i) as far as the Company to be Absorbed is concerned

- articles 2501 *et seq* of the Italian civil code, and

- articles 1 *et seq* of the Decree,

(ii) as far as the Absorbing Company is concerned, the UK Regulations; and

(i) in light of the above described shareholding structure of the Merging Companies, the Merger qualifies, pursuant to the applicable Italian law principles, as "simplified" pursuant to article 2505 of the Italian civil code. As a consequence, it would not be necessary, *inter alia*, on the one hand, to carry out a share exchange (and, thus, having the Absorbing Company issuing new shares) and, on the other hand, the preparation of the report on the Merger by the directors of the Company to be Absorbed. However, in consideration of the fact that UK law reaches a different conclusion as to the qualification of the

struttura dell'azionariato della Società Incorporanda e della Società Incorporante (il capitale sociale emesso delle quali è, e continuerà ad essere posseduto in via diretta o indiretta da NE Holdings) Non essendovi necessità della relazione, non risulta, dunque, necessario procedere alla nomina dell'esperto per la sua redazione,

la Società Incorporante intende continuare ad esercitare l'attività attualmente svolta dalla Società Incorporanda attraverso una sede secondaria che verrà costituita dalla stessa in Italia in un momento antecedente al completamento della Fusione,

la Fusione coinvolge una società di diritto italiano ed una società di diritto inglese e dovrà, pertanto, essere eseguita tenendo in considerazione le seguenti previsioni normative:

(i) per quanto concerne la Società Incorporanda

- gli articoli 2501 e ss del codice civile italiano; e

- gli articoli 1 e ss del Decreto

(ii) per quanto concerne la Società Incorporante, le UK Regulations,

in considerazione della sopra descritta struttura dell'azionariato delle Società Partecipanti alla Fusione, la Fusione rientra, ai sensi dei principi della legge italiana applicabili, tra i casi di fusione "semplificata" ex articolo 2505 del codice civile italiano In conseguenza di ciò, non sarebbe necessario, tra le altre cose, da un lato, procedere al concambio delle azioni (e, quindi all'emissione di nuove azioni da parte della Società Incorporante) e, dall'altro lato, redigere la relazione sulla Fusione da parte degli amministratori della Società Incorporanda. Tuttavia, tenuto conto che la legge inglese raggiunge una diversa conclusione in



Merger as "simplified", the Merger (i) will in any case be carried out through the exchange of shares and the connected increase of the share capital of the Absorbing Company (see paragraph 2 below) and (ii) requires the preparation of the report on the Merger by the directors of the Absorbing Company.

All the above being stated, the Merger Plan for the merger by absorption of the Company to be Absorbed with and into the Absorbing Company is set forth below

**1) Form, name and registered offices of the Merging Companies**

*(a) Absorbing Company*

**Nomura International plc** is a company incorporated under and governed by the laws of England and Wales, with its registered office at Nomura House, St Martin's-le-Grand no 1, London EC1A 4NP, United Kingdom, and with an issued share capital of US\$ 4,849,131,581, comprising 4,849,131,581 ordinary shares of nominal value of US\$ 1 each. **Nomura International plc** is registered with the Registrar of Companies for England and Wales, with company number 1550505 and is a company authorised to carry on investment services according to the laws of England and Wales. Following the Merger becoming effective, **Nomura International plc** will be the surviving company of the Merger.

*(b) Company to be Absorbed*

**Nomura Italia Società di Intermediazione Mobiliare p.A.** is a company incorporated under and governed by the laws of Italy, with registered office in Piazza del Carmine 4, 20122 Milan, Italy, share capital equal to Euro 2,080,000, divided into 40,000 ordinary shares of nominal value of Euro 52 each, registered with Companies Register of Milan, with number

merito alla qualificazione della Fusione come "semplificata", la Fusione (i) sarà in ogni caso attuata attraverso il concambio delle azioni e il connesso aumento del capitale sociale della Società Incorporante (vedi successivo paragrafo 2) e (ii) richiede la redazione da parte degli amministratori della Società Incorporante della relazione sulla Fusione.

Tutto ciò premesso, di seguito si riporta il Progetto di Fusione per incorporazione della Società Incorporanda nella Società Incorporante

**1) Tipo, denominazione sociale e sede delle Società Partecipanti alla Fusione**

*(a) Società Incorporante*

**Nomura International plc**, società di diritto inglese, con sede legale in Nomura House, St. Martin's-le-Grand n 1, Londra EC1A 4NP, Regno Unito, il cui capitale sociale emesso è pari a Dollari USA 4 849 131 581, comprendente n. 4.849 131 581 azioni ordinarie del valore nominale di 1,00 Dollaro USA ciascuna. **Nomura International plc** è iscritta presso il "Registrar of Companies for England and Wales" al numero 1550505 ed è una società autorizzata a svolgere servizi di investimento ai sensi del diritto inglese. Una volta che la Fusione diventi efficace, **Nomura International plc** sarà la società superstite rispetto alla Fusione.

*(b) Società Incorporanda*

**Nomura Italia Società di Intermediazione Mobiliare p.A.**, società di diritto italiano, con sede legale in Piazza del Carmine n 4, 20122 Milano, Italia, capitale sociale pari a Euro 2 080 000 rappresentato da n 40 000 azioni ordinarie del valore nominale di Euro 52,00 ciascuna, iscritta al Registro delle Imprese di Milano al numero 09046620150, iscritta all'albo tenuto da

09046620150, registered in the list held by Consob pursuant to article 20 of Legislative Decree 58/1998 with no 114 Upon the Merger becoming effective, Nomura Italia Società di Intermediazione Mobiliare p A will be dissolved without liquidation (i.e. will cease to exist as an independent entity) and all its assets and liabilities will be transferred to Nomura International plc, as the absorbing company.

**2) The share exchange ratio**

Pursuant to the Merger (also taking into account the envisaged transfer of the NIP Shareholding), the Absorbing Company will issue 42,540,588 new ordinary shares, with a nominal value of US\$ 1 00 each This increase of the issued ordinary share capital shall be within the existing limits of the director's authority to allot new shares (and will not hence require a shareholders' resolution in relation thereto) of the Absorbing Company.

The Merger shall be implemented on the basis of the following share exchange ratio:

- 1,063 5147 ordinary shares, with a nominal value of US\$ 1 00 each, of the Absorbing Company being issued for every ordinary share held, with a nominal value of Euro 52 each, of the Company to be Absorbed

No cash adjustment is necessary

**3) The terms relating to the allotment of the shares to be issued by the Absorbing Company**

The exchange of the shares through delivery to NE Holdings (as shareholder of the Company to be Absorbed) of the new ordinary shares issued pursuant to the Merger by the Absorbing Company and the cancellation of the shares of the Company to be Absorbed shall occur on the effective date (*data di efficacia*) of the Merger and shall take place at the

Consob ai sensi dell'articolo 20 del D lgs 58/1998 al n 114 Una volta che la Fusione diventi efficace, Nomura Italia Società di Intermediazione Mobiliare p A si scioglierà senza liquidazione (i.e. cesserà di esistere come ente indipendente) e tutto il suo patrimonio (attività e passività) sarà trasferito a Nomura International plc, quale società incorporante

**2) Rapporto di cambio**

In dipendenza della Fusione (anche tenuto conto del previsto trasferimento della Partecipazione NIP), la Società Incorporante emetterà n 42 540 588 nuove azioni ordinarie del valore nominale di 1 Dollaro USA ciascuna Tale aumento del capitale sociale ordinario emesso avverrà nei limiti del potere conferito agli amministratori di emettere nuove azioni (e non richiederà, pertanto, un'apposita deliberazione da parte dei soci della stessa) della Società Incorporante

La Fusione sarà attuata sulla base del seguente rapporto di cambio:

- n 1 063,5147 azioni ordinarie della Società Incorporante, del valore nominale di 1 Dollaro USA ciascuna, emesse per ogni azione ordinaria della Società Incorporanda del valore nominale di Euro 52,00 ciascuna.

Non è necessario alcun conguaglio in denaro

**Modalità di assegnazione delle emittende azioni della Società Incorporante**

Il concambio delle azioni, mediante consegna a NE Holdings (quale azionista della Società Incorporanda) delle nuove azioni ordinarie della Società Incorporante emesse a servizio della Fusione, e l'annullamento delle azioni della Società Incorporanda avverranno presso la sede legale della Società Incorporante alla data

registered office of the Absorbing Company

**4) The likely effect on employees of each Merger Company**

The employees of the Company to be Absorbed will be transferred to the Absorbing Company based on the provisions of law on their current terms and conditions of employment, the position of the employees of the Absorbing Company shall not be affected by the Merger. It is not envisaged that the Merger will adversely affect the position of employees of either Merging Company

**5) Effective date (*data di efficacia*) of the Merger, being also the date as of which the shareholders are entitled to participate in the dividends and any special conditions affecting that entitlement**

Following the approval of the completion of the Merger by the English Court pursuant to regulation 16 of the UK Regulations, the Merger shall become effective on the date fixed by the English Court as the date on which the consequences of the cross-border merger are to have effect

The effective date (*data di efficacia*) of the Merger shall be communicated (a) by a director of the Absorbing Company to the Italian notary public drafting the deed of merger in order that he/she can deposit such deed with the Italian Register of Enterprises, and (b) by the English Registrar of Companies to the Italian Register of Enterprises pursuant to regulation 21(1)(a) of the UK Regulations

The shareholder of the new ordinary shares of the Absorbing Company to be issued pursuant to the Merger shall be entitled to participate in the dividends of the Absorbing Company starting from

di efficacia della Fusione

**Probabili ripercussioni della Fusione sull'occupazione**

I dipendenti della Società Incorporanda saranno trasferiti, ai medesimi termini e condizioni d'impiego attualmente in vigore ai sensi di legge, in capo alla Società Incorporante, la posizione dei dipendenti della Società Incorporante non sarà influenzata dalla Fusione. Non è previsto che la Fusione influisca negativamente sulla posizione dei dipendenti di ciascuna delle Società Partecipanti alla Fusione.

**Data di efficacia della Fusione, nonché data di decorrenza di partecipazione agli utili, nonché ogni modalità particolare relativa a tale diritto**

A seguito dell'approvazione del completamento della Fusione da parte del Tribunale inglese, ai sensi dell'articolo 16 delle UK Regulations, la Fusione avrà efficacia dalla data stabilita dal Tribunale inglese quale data a partire dalla quale le conseguenze della fusione transfrontaliera devono avere effetto.

La data di efficacia della Fusione sarà comunicata (a) da un amministratore della Società Incorporante al notaio italiano incaricato di redigere l'atto di Fusione, al fine di consentirgli di depositare tale atto presso il Registro delle Imprese Italiano, e (b) dal "Registrar of Companies" inglese al Registro delle Imprese italiano, ai sensi dell'articolo 21(1)(a) delle UK Regulations

Il possessore delle nuove azioni ordinarie della Società Incorporante, da emettersi a servizio della Fusione, parteciperà agli utili della Società Incorporante stessa a partire dalla data di efficacia della Fusione. Non vi sono particolari condizioni che possano pregiudicare tale diritto

the effective date (*data di efficacia*) of the Merger. There are no special conditions affecting this entitlement

- 6) **The date from which the transactions of the Company to be Absorbed are to be treated for accounting purposes as being those of the Absorbing Company**

The effect of the Merger for accounting and tax purposes shall be set by the English Court (and is currently expected to be set on 31 March 2011), starting from the date set by the English Court, the transactions of the Company to be Absorbed shall be accounted for in the accounts, and treated as being those, of the Absorbing Company.

- 7) **The rights and restrictions conferred by the Absorbing Company on shareholders enjoying special rights or on holders of securities other than shares representing the company capital, or the measures proposed concerning them**

No special treatment will be established in favour of particular classes of shareholders of the Merging Companies and no shares will be issued by the Absorbing Company to which any special rights or restrictions will attach. Furthermore, no securities other than ordinary shares will be issued and allotted by the Absorbing Company under the Merger.

- 8) **Any special advantages granted to the expert (referred to in Article 2501-sexies of the Italian civil code, to regulation 9 of the UK Regulations and to article 9 of the Decree) or the members of the administrative, management, supervisory or controlling organs of the Merging Companies and consideration for the obtainment of such benefits**

All shareholders of the Merging Companies have waived the preparation

- 6) **Data a partire dalla quale le operazioni della Società Incorporanda verranno trattate, ai fini contabili, come operazioni della Società Incorporante**

La data di decorrenza degli effetti contabili e fiscali della Fusione sarà stabilita dal Tribunale inglese (attualmente ci si attende che la stessa venga fissata al 31 marzo 2011); a partire dalla data fissata a tale riguardo dal Tribunale inglese, le operazioni della Società Incorporanda saranno imputate al bilancio della Società Incorporante

- 7) **Diritti accordati (e restrizioni imposte) dalla Società Incorporante ai soci titolari di diritti speciali o ai possessori di titoli diversi dalle quote rappresentative del capitale sociale o le misure proposte nei loro confronti**

Nessun trattamento particolare sarà riservato a particolari categorie di soci delle Società Partecipanti alla Fusione e nessuna azione con speciali diritti o restrizioni sarà emessa dalla Società Incorporante. Inoltre, nessuno strumento finanziario diverso dalle azioni ordinarie sarà emesso ed assegnato dalla Società Incorporante nell'ambito della Fusione.

- 8) **Vantaggi particolari eventualmente attribuiti a favore degli esperti (di cui all'articolo 2501-sexies del codice civile italiano, all'articolo 9 delle UK Regulations e all'articolo 9 del Decreto) o dei membri degli organi di amministrazione, vigilanza o controllo delle Società Partecipanti alla Fusione e corrispettivo per la concessione dei suddetti vantaggi**

Tutti i soci delle Società Partecipanti alla Fusione hanno rinunciato alla

of the expert's report on the fairness of the share exchange ratio. Consequently, no expert's report will be drawn up in accordance with regulation 9(1)(c) of the UK Regulations, article 8 of the Directive and article 9, paragraph 4, of the Decree.

No particular benefits are established in favour of the members of the administrative, management, supervisory or controlling organs of the Merging Companies

**9) Articles of Association of the Absorbing Company, with the indication of modifications, if any, deriving from the Merger**

Attached at Exhibit A) is a copy of the current version of the Articles of Association of the Absorbing Company

The consummation of the Merger will not violate any provisions of the Articles of Association of the Absorbing Company. Furthermore, the Articles of Association of the Absorbing Company do not require any amendment in order to implement the Merger

**10) Information on the procedures by which employee rights of participation in the Absorbing Company are to be determined**

Not applicable with reference to the Merger

**11) Information on the evaluation of the assets and liabilities to be transferred to the Absorbing Company resulting from the cross-border merger**

Assets and liabilities that are transferred to the Absorbing Company are included in the Company to be Absorbed's *ad hoc* financial statements at 30 September 2010 and have been valued in accordance with the International Accounting Standard (IAS) and the International Financial Reporting

predisposizione della relazione degli esperti sulla congruità del rapporto di cambio. Conseguentemente, ai sensi dell'articolo 9(1)(c) delle UK Regulations, dell'articolo 8 della Direttiva e dell'articolo 9, comma 4, del Decreto, non sarà predisposta alcuna relazione degli esperti

Nessun vantaggio particolare è previsto in favore dei membri degli organi di amministrazione, vigilanza o controllo delle Società Partecipanti alla Fusione.

**Statuto della Società Incorporante, con l'indicazione delle eventuali modificazioni derivanti dalla Fusione**

Si allega sub A) copia dello statuto della Società Incorporante nel testo attualmente vigente.

Il completamento della Fusione non viola nessuna previsione statutaria della Società Incorporante. Inoltre, lo statuto della Società Incorporante non dovrà essere modificato al fine di realizzare la Fusione

**Informazioni sulle procedure di coinvolgimento dei lavoratori nella definizione dei loro diritti di partecipazione nella Società Incorporante**

Non applicabile con riferimento alla Fusione

**Informazioni sulla valutazione degli elementi patrimoniali attivi e passivi che sono trasferiti alla Società Incorporante a seguito della Fusione**

Gli elementi patrimoniali attivi e passivi che sono trasferiti alla Società Incorporante sono indicati nella situazione patrimoniale *ad hoc* della Società Incorporanda al 30 Settembre 2010 e sono stati valutati in conformità ai principi contabili internazionali (International Accounting Standard, IAS) e agli

Standard (IFRS) issued by the International Accounting Standard Board (IASB) and the relevant interpretations of the International Financial Reporting Committee (IFRC) in force as at the date of preparation of the *ad hoc* financial statements, as established by the European Commission pursuant to EC regulation no 1606/2002

International Financial Reporting Standard (IFRS) emanati dall'International Accounting Standard Board (IASB) nonché alle relative interpretazioni dell'International Financial Reporting Committee (IFRC) vigenti alla data di redazione della situazione patrimoniale *ad hoc*, così come approvati dalla Commissione Europea ai sensi del regolamento CE n. 1606/2002.

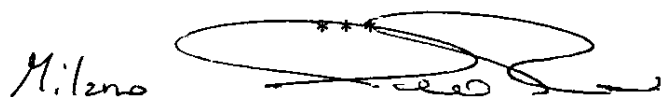
**12) Dates of the accounts of each Merging Company which were used for the purpose of preparing the Merger Plan and establishing the conditions of the Merger**

The Merger Plan has been prepared by reference to (a) the *ad hoc* financial statements as of 30 September 2010 of the Company to be Absorbed, and (b) the financial statements as of 31 March 2010 of the Absorbing Company

\* \* \*

Attachment

Exhibit A): Articles of Association of the Absorbing Company

 Mileno

For the Board of Directors of Nomura Italia Società di Intermediazione Mobiliare p A

 Milan

For the Board of Directors of Nomura International plc

13 December 2010

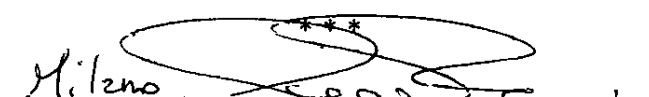
**12) Data di riferimento delle situazioni patrimoniali di ciascuna delle Società Partecipanti alla Fusione utilizzati per preparare il Progetto di Fusione e per definire le condizioni della Fusione**

Il Progetto di Fusione è stato preparato con riferimento (a) alla situazione patrimoniale *ad hoc* al 30 settembre 2010 della Società Incorporanda e (b) al bilancio al 31 marzo 2010 della Società Incorporante.

\* \* \*

Allegato

Sub A). Testo dello statuto della Società Incorporante

 Mileno

Per il Consiglio di Amministrazione di Nomura Italia Società di Intermediazione Mobiliare p.A

 Milan

Per il Consiglio di Amministrazione della Nomura International plc

13 Dicembre 2010

THE COMPANIES ACTS 1948 - 1980

THE COMPANIES ACTS 1985-1989 and 2006

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PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

NOMURA INTERNATIONAL PLC

(as adopted by a Special Resolution passed on 29 March 2010)

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THE COMPANIES ACTS 1948 - 1980

THE COMPANIES ACTS 1985-1989 and 2006

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PUBLIC COMPANY LIMITED BY SHARES

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**ARTICLES OF ASSOCIATION**

of

**NOMURA INTERNATIONAL PLC**

(as adopted by a Special Resolution passed on 29 March 2010)

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**Exclusion of other regulations**

1 This document comprises the Articles of Association of the Company and no regulations set out in any statute or statutory instrument concerning companies shall apply as Articles of Association of the Company

**Interpretation**

1A In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.

"The Act" The Companies Act 2006.

"The 1985 Act" The Companies Act 1985

"Company" Nomura International plc

"Conditions" In respect of any redeemable convertible participating preference share the absolute requirements that (i) the registered holder of such share in the shareholders register of the Company at the date of which the Company resolves to redeem such share must be either a current employee of the Company (not having given notice, or being under notice, of employment termination) or the trustees or trustees of a trust created or funded by the Company for the exclusive benefit of one or more of its employees, and (ii) the redemption of such share must have been approved by the members of the Company in general meeting before the date on which the Company resolves to redeem such share; and (iii) the total operating income of the Company stated in Schedule 3-1 of the annual Nomura Securities Group package for the Company in

respect of its last complete accounting period immediately preceding such redemption (the "Last Period") must have been at least equal to 80% of the income total operating income of the Company stated in Schedule 3-1 of the annual Nomura Securities Group package for the Company in respect of its last complete accounting period immediately preceding the Last Period."

"In writing"	Written or produced by any substitute for writing or partly one and partly another
"Member"	a holder of ordinary shares in the Company.
"Month"	Calendar month
"Office"	The registered office of the Company for the time being.
"ordinary shares"	The ordinary shares of \$1 00 each in the share capital of the Company from time to time.
"Paid"	Paid or credited as paid.
"redeemable convertible participating preference shares"	The redeemable convertible participating preference shares of £1 each in the share capital of the Company from time to time.
"Register"	The register of members of the Company
"Seal"	The Common Seal of the Company
"Securities Seal"	An official seal kept by the Company by virtue of Section 50 of the Act.
"shares"	The ordinary shares and the redeemable convertible participating preference shares
"The Statutes"	The Act, the 1985 Act and every other statute for the time being in force concerning companies and affecting the Company
"These Articles"	These Articles of Association as from time to time altered.
"Transfer Office"	The place where the Register is situate for the time being
"The United Kingdom"	Great Britain and Northern Ireland.
"Year"	Calendar year.

The expressions "debenture" and "debenture holder" shall respectively include "debenture

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stock" and "debenture stockholder"

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary including, but not limited to, a joint, assistant or deputy Secretary.

The expression "shareholders' meeting" shall include both a General Meeting and a meeting of the holders of any class of shares of the Company.

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

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the adoption of these Articles)

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

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

References to "Dollar" and "US\$" are to the lawful currency for the time being of the United States of America.

#### **Registered Office**

2. The Company's registered office is to be situated in England and Wales

#### **Limited Liability**

3. The liability of the members is limited.

#### **Change of Name**

4. The Company may change its registered name in accordance with the Statutes or by decision of the Board

#### **SHARE CAPITAL**

5. The issued share capital of the Company at the date of the adoption of these Articles is. \$4,199,131,581 divided into 4,199,131,581 ordinary shares of \$1.00 each.

#### **ALTERATION OF SHARE CAPITAL**

##### **Increase of share capital**

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

12/11/07

### Consolidation, subdivision and cancellation

#### 7. The Company may by Ordinary Resolution -

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled,
- (c) sub-divide its shares, or any of them, into shares of smaller amount than its existing shares (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares
- (d) On any consolidation, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing).
  - (i) whenever as a result of any such consolidation any members would become entitled to fractions of a share the Board may, on behalf of those members, sell the shares incorporating the fractions for the best price reasonably obtainable to any person (including the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those members;
  - (ii) the Board may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share and in the case of any shares registered in the name of one holder or joint holders being consolidated with shares registered in the name of another holder or joint holders may make such arrangements as may be thought fit for the sale of the consolidated share and for the distribution among the persons entitled thereto of the net proceeds of such sale after deduction of the expenses of sale or for the payment of such net proceeds to the Company, or
  - (iii) provided that the necessary unissued shares are available the Board may in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at its discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares

### Purchase of own shares



8 Subject to the provisions of the Statutes, the Company may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class (including any redeemable shares) but so that if there shall be in issue any shares convertible into equity share capital of the Company of the class proposed to be purchased, then the Company shall not enter into a contract to purchase such equity shares without the prior sanction of a Special Resolution passed at a separate meeting of the holders of such convertible shares.

#### Reduction of capital

9 Subject to the provisions of the Act, the Company may by Special Resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any way

#### SHARES

##### Rights attaching to shares on issue

10 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.

##### Redeemable Convertible Participating Preference Shares

11 The rights attaching to the redeemable convertible participating preference shares of the Company of £1 each shall be as follows:

- (a) each of the redeemable convertible participating preference shares shall confer
  - (i) a right to receive out of the profits of the Company available for distribution a fixed cumulative dividend of 5 pence per share per year on the amount for the time being paid up or credited as paid up thereon which shall accrue and be paid in priority to the payment of dividends on all other classes of shares in the Company, but which shall begin to accrue and cumulate only 9 months after the date of issue of those shares, and
  - (ii) a right to a participating dividend per share equal to 50 per cent of the dividend per share paid on an ordinary share of the Company, on the same conditions as any such dividend on an ordinary share of the Company, as and when such dividends are paid;
- (b) the redeemable convertible participating preference shares shall carry no votes whether on a show of hands or on a poll or right to attend at any general meeting of the Company;
- (c) the redeemable convertible participating preference shares shall not be transferable in any circumstances whatsoever unless prior written notice of a proposed transfer has been given to the Directors of the Company who have assented in writing to that transfer (provided that those Directors shall be under no obligation to give such

assent and may refuse to assent to any proposed transfer without being obliged to give reasons for their refusal),

(d) on any winding-up of the Company each of the redeemable convertible participating preference shares shall confer a right to receive the sum of £1 per share as a return of capital on those shares together with any accrued but unpaid dividends on those shares out of the assets of the Company in preference to the rights of holders of all other classes of shares in the Company but the holders of the redeemable convertible participating preference shares shall have no other right to participate in any distribution of the assets of the Company;

(e) on the tenth anniversary of the date of their issue every ten redeemable convertible participating preference shares shall be automatically converted into one ordinary share in the Company of \$1 00 each and the provisions of Article 7 in relation to consolidation shall apply mutatis mutandis,

(f) redeemable convertible participating preference shares of the Company shall be redeemable in whole or in part by the Company at its sole and unrestricted discretion at any time provided that

(i) those shares have been in issue and one or more persons have been registered in the shareholders register as the holder of those shares in both cases for a minimum period of 20 days, and

(ii) the Conditions are satisfied at or before the time at which the Company resolves to redeem such shares;

on service of 5 days prior written notice of redemption on the holder of those shares which are to be redeemed to take effect only after the period specified and on fulfilment of the Conditions, and on any such redemption each such share shall confer a right to a fixed redemption sum of £1 00 per share together with a sum representing any dividend accrued but unpaid on such share.

(g) As from the Redemption Date of the redeemable convertible participating preference shares, the preferential dividend shall cease to accrue thereon and the redeemable convertible participating preference shares shall be treated as having been redeemed, whether or not the certificate therefor shall have been delivered and the redemption monies paid, and such redemption monies, if remaining unpaid, shall constitute a debt of the Company subject to all the provisions of these Articles relating to monies payable on or in respect of a share

(h) If the holder of the relevant redeemable convertible participating preference shares shall fail or refuse to deliver up the certificate held by him at the time fixed for the redemption of such share or shall fail or refuse to accept payment of the redemption monies payable in respect thereof, the redemption monies payable to such holder shall be set aside and paid into an interest-bearing account with the Company's bankers and such setting aside shall be deemed for all purposes hereof to be a payment to such holder and all the said holder's rights as holder of the redeemable convertible participating preference shares shall cease and determine as from the date fixed for the redemption of such shares and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not be responsible for the safe custody of the monies so placed on deposit or for interest thereon except such interest as the said monies may earn while on deposit less any expenses incurred by the Company in connection therewith

Handwritten signature and initials.

- (i) The receipt of the registered holder for the time being of the redeemable convertible participating preference shares or in the case of joint registered holders the receipt of any of them for the monies payable on redemption thereof shall constitute an absolute discharge to the Company in respect thereof.

#### **Directors' power to allot**

- 12.(a) The Directors are generally and unconditionally authorised to exercise all the powers of the Company to allot, grant options over, or otherwise dispose of relevant securities (within the meaning of Section 551 of the Act) up to an aggregate amount of US\$1,418,368,419 in Ordinary Shares and £50,000,000 in Redeemable Convertible Participating Preference Shares during the period of five years from the date of adoption of these Articles at the end of which period such authority will expire, save that the Company may before such expiry make an offer or an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred had not expired.
- (b) Any share may, with the sanction of a Special Resolution, be issued, which is, or at the option of the company or of the holder of such share is liable, to be redeemed on such terms and in such manner as may be provided by these Articles

#### **Commissions on issue of shares**

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

#### **Renunciation of allotment**

- 14 The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

#### **Trust etc. interests not recognised**

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

#### **SHARE CERTIFICATES**

##### **General**

16. Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. Each share certificate relating to the redeemable convertible participating preference shares shall bear a distinguishing number

### **Joint holders**

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

### **Issue of share certificates**

18. Any person (subject as aforesaid) whose name is entered in the Register shall upon the issue or transfer to him of shares be entitled without payment to a certificate therefor (in the case of issue) within two months (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within 28 days after lodgment of the transfer or (in the case of a transfer of partly-paid shares) within two months after lodgment of the transfer.

### **Replacement of share certificates**

- (a) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge
- (b) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.
- (c) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
- (d) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

### **CALLS ON SHARES**

#### **Power to make calls**

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

#### **Liability for calls**

20. Each member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

#### **Interest on overdue amounts**

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

#### **Other sums due on shares**

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

#### **Power to differentiate between holders**

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

#### **Payment of calls in advance**

24 The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate as the member paying such sum and the Directors may agree.

25. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors and shall be assignable if expressed so to be

#### **FORFEITURE AND LIEN**

##### **Notice on failure to pay a call**

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

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

#### **Forfeiture for non-compliance**

27 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

#### **Disposal of forfeited shares**

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

#### **Holder to remain liable despite forfeiture**

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

#### **Lien on partly-paid shares**

30. The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

#### **Sale of shares subject to lien**

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

#### **Proceeds of sale of shares subject to lien**

32 The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount in respect whereof the lien exists so far as the same is then 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 sums not

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presently payable as existed upon the shares prior to the sale, be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

#### **Evidence of forfeiture**

33. A statutory declaration in writing that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall 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 or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### **VARIATION OF RIGHTS**

##### **Manner of variation of rights**

34 (a) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

(b) To every such separate meeting all the provisions of these Articles relating to General Meetings and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll, and that every such holder shall on a poll have one vote for every share of the class held by him.

(c) The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

##### **Matters not constituting variation of rights**

35. The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto or (b) the purchase by the Company of any of its own shares.

#### **TRANSFER OF SHARES**

##### **Form of transfer**

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

#### **Balance certificate**

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

#### **Right to refuse registration**

38.(a) The Directors may decline to recognise any instrument of transfer unless it is in respect of only one class of share and is lodged (duly stamped if required) at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

(b) The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (whether or not it is of fully-paid shares) but, for the avoidance of doubt, shall not have any power to refuse to register any notice of redemption relating to the redeemable convertible participating preference shares. The Directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the Directors refuse to register an allotment or transfer they shall within two months after the date on which the letter of allotment or transfer was lodged with the Company send to the allottee or transferee notice of the refusal.

#### **Retention of transfers**

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

#### **No fee on registration**

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.


#### **Branch Register**

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

### **TRANSMISSION OF SHARES**

#### **Persons entitled on death**

42. In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any

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title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

#### **Election by persons entitled by transmission**

43 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing to that effect or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles 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 notice or transfer were a transfer executed by the member registered as the holder of any such share.

#### **Rights of persons entitled by transmission**

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

#### **UNTRACED SHAREHOLDERS**

- 45.(a) The Company shall be entitled to sell at any price reasonably obtainable in the opinion of the Board at the time of sale the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that at least three dividends in respect of the shares have become payable and no dividend in respect of those shares has been claimed
- (b) To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

#### **GENERAL MEETINGS**

##### **Annual and General Meetings**

46 An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called General Meetings

#### Convening of General Meetings

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

#### NOTICE OF GENERAL MEETINGS

##### Length of notice for General Meetings

48 An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and any other General Meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles entitled to receive such notices from the Company. Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

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

##### Contents of notice of General Meetings

- 49 (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- (b) The notice shall specify the general nature of the business to be transacted at the meeting; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.
- (c) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

#### PROCEEDINGS AT GENERAL MEETINGS

##### Chairman

50. The Chairman of the Directors, failing whom a Co-Chairman, shall preside as chairman at a General Meeting. If there is no such Chairman or Co-Chairman, or if at any meeting neither is present within five minutes after the time appointed for holding the

meeting and willing to act, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number) to be chairman of the meeting

#### **Quorum**

51. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote or one member present in person or by proxy and holding more than 50 per cent of the issued share capital of the Company shall be a quorum for all purposes

#### **Lack of quorum**

52. If within five minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine

#### **Adjournment**

53. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting

#### **Notice of adjourned meeting**

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

#### **Amendments to resolutions**

55. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling in the case of a resolution duly proposed as a Special resolution amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon

#### **POLLS**

##### **Demand for poll**

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

- (i) the chairman of the meeting, or

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(ii) any member present in person or by proxy and entitled to vote, or

(b) A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

#### **Procedure on a poll**

57. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

#### **Voting on a poll**

58. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

#### **Timing of poll**

59. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

#### **Votes attaching to shares**

60. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

#### **Votes of joint holders**

61. 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 share.

#### **Chairman's casting vote**

62. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any other vote he may have.

#### **Restriction on voting in particular circumstances**

63.(a) No member shall, unless the Directors otherwise determine, be entitled in respect of

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any share held by him to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

- (b) If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 793 of the Act and is in default for a period of 14 days in supplying to the Company the information thereby required, then (unless the Directors otherwise determine) in respect of:-

(i) the shares comprising the shareholding account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "default shares", which expression shall include any further shares which are issued in respect of such shares); and

(ii) any other shares held by the member;

the member shall not (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred other than pursuant to an approved transfer or pursuant to paragraph (C)(ii) below be entitled to attend or vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings

- (c) Where the default shares represent 0.25 per cent. or more of the issued shares of the class in question, the Directors may in their absolute discretion by notice (a "direction notice") to such member direct that:-

(i) any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member [and the member shall not be entitled to elect to receive shares in lieu of dividend], and/or

(ii) no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer or:-

(A) the member is not himself in default as regards supplying the information required; and

(B) the transfer is, of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares

Upon the giving of a direction notice its terms shall apply accordingly

- (d) The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice

- (e) (i) Save as herein provided any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction

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notice was issued continues and shall cease to have effect thereafter upon the Directors so determining (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member)

- (ii) Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph (C)(ii) above.

(f) For the purposes of this Article:-


- (i) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under the said Section 793 and either (a) the member has named such person as being so interested or (b) (after taking into account the response of the member to the said notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares, and

- (ii) a transfer of shares is an approved transfer if:-

(A) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (as defined in Section 974 of the Act), or

(B) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any person appearing to be interested in such shares. For the purposes of this sub-paragraph any associate (as that term is defined in Section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares.

- (g) The provisions of this Article are in addition and without prejudice to the provisions of the Act.

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### Voting by guardian

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

### Validity and result of vote

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

(b) Unless a poll is taken a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution

### PROXIES

#### Proxy need not be a member

66 A proxy need not be a member of the Company

#### Form of proxy

67 An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and -

(a) in the case of an individual shall be signed by the appointor or his attorney, and

(b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.

#### Deposit of form of proxy

68 An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Transfer Office) not less than one hour before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same

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day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates

#### **Rights of proxy**

69. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting

#### **Revocation of proxy**

70. A vote cast or demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

#### **CORPORATIONS ACTING BY REPRESENTATIVES**

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

#### **DIRECTORS**

##### **Number of Directors**

72. Subject as hereinafter provided the Directors shall not be subject to a maximum but shall not be less than 2 in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors

##### **Share qualification**

73. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings

##### **Directors' fees**

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

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during which he has held office

#### **Other remuneration of Directors**

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

#### **Directors' expenses**

76 The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or shareholders' meetings or otherwise in connection with the business of the Company.

#### **Directors' pensions and other benefits**


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

#### **Directors' interests in contracts**

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

#### **Appointment of executive Directors**

- 79 (a) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Co-Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.
- (b) The appointment of any Director to the office of Chairman or Co-Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company
- (c) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the

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contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company

#### **Powers of executive Directors**

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

#### **Title of "Director"**

81. The attribution of a title including the word "Director", "Managing Director" or "Deputy Managing Director" to an employee or in the designation or title of any office or employment with the Company shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

#### **Election of two or more Directors**

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

#### **Nomination of Director for election**

84. No person shall, unless recommended by the Directors for election, be eligible for election as a Director at any General Meeting unless not less than 6 nor more than 35 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

#### **Election or appointment of additional Director**

85. The Board may appoint any person who is willing to act to be a Director; either to fill a vacancy or as an additional Director

#### **Vacation of office**

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

- (a) if he shall become prohibited by law from acting as a Director;
- (b) if he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer,
- (c) if he shall have a bankruptcy order made against him or shall compound with his

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- creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act,
- (d) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
  - (e) if he shall be absent from meetings of the Directors for six months without leave and the Directors shall resolve that his office be vacated,
  - (f) if a notice in writing is served upon him, signed by all his co-Directors for the time being, to the effect that his office as Director shall on receipt of such notice ipso facto be vacated, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.
  - (g) if he shall be removed from office pursuant to the provisions of Article 139.

#### Removal of Director

87 The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and elect another person in place of a Director so removed from office.

#### MEETINGS AND PROCEEDINGS OF DIRECTORS

##### Convening of meetings of Directors

88 Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. At any time any Director may, and the Secretary at the request of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive

##### Quorum

89 The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors

## Chairman

90 (a) The Directors may appoint two Directors to act as Co-Chairmen and determine the period for which each is to hold office. If no Chairman or Co-Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Co-Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

(b) If at any time there is more than one Co-Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Co-Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

## Casting vote

91. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

## Restrictions on voting

### 92.1 Declarations of Interest

Subject to the provisions of the Act, and provided that he has made the disclosures required by this Article, a Director notwithstanding his office.

92.1.1 may be a party to or otherwise directly or indirectly interested in

(a) any transaction or arrangement with the Company or in which the Company is otherwise interested,

(b) or a proposed transaction or arrangement with the Company; and

92.1.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, anybody corporate promoted by the Company or in which the Company is otherwise interested,

and (i) he 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; (ii) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such body corporate; and (iii) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

92.1.3 A Director shall, subject to sub-section 177(6) of the Act, be required to disclose all interests whether or not material in any transaction or arrangement referred to in this Article 92 and the declaration of interest must (in the case of a transaction or arrangement referred to in Article 92.1 (a)) and may (in the case of a transaction or arrangement referred to in Article 92.1.1(b)), but need not, be made

- (a) at a meeting of the Directors, or
- (b) by notice to the Directors in accordance with
  - (i) Section 184 of the Act (notice in writing), or
  - (ii) Section 185 of the Act (general notice)

92.1 4 The Directors may resolve that any situation referred to in Article 92.1 and disclosed to them thereunder shall also be subject to such terms as they may determine including, without limitation, the terms referred to in paragraphs (a) to (d) of Article 92 2 4

**92.2 Directors' interests other than in relation to transactions or arrangements with the Company**

92.2 1 For the purposes of Section 175 of the Act, the Directors shall have the power to authorise:

- (a) any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that Section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company For these purposes references to a conflict of interest includes a conflict of interest and duty and a conflict of duties. This Article does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company (see Article 92 1); and
- (b) a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of paragraph 92 2 1(a) of this Article may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time, that such a conflict of interest arises

92.2 2 Authorisation of a matter under this Article shall be effective only if:

- (a) the matter in question shall have been proposed in writing (giving full particulars of the relevant situation) for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may approve;
- (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors"); and
- (c) the matter was agreed to without the Interested Directors voting counted

92 2 3 Any authorisation of a matter pursuant to this Article shall extend to any actual or potential conflict of interest which may reasonably be expected

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to arise out of the matter so authorised.

92.2.4 Any authorisation of a matter under this Article shall be subject to such terms as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time. Such terms may include, without limitation, terms that the relevant Directors:

- (a) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to a third party,
- (b) may be required by the Company to maintain in the strictest confidence any confidential information relating to the Company which also relates to the situation as a result of which the conflict arises (the "conflict situation"),
- (c) may be required by the Company not to attend any part of a meeting of the Directors at which any matter which may be relevant to the conflict situation is to be discussed, and not to view any board papers relating to such matters, and
- (d) shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of the conflict situation.

A Director shall comply with any obligation imposed on him by the Directors pursuant to any such authorisation

92.2.5 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

92.3 Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest (other than by virtue of his interest in shares, debentures or other securities of or in or otherwise through the Company) which is material, or a duty which conflicts or may conflict with the interests of the Company, unless his interest or duty arises only because one of the following Articles applies (in which case he may vote and be counted in the quorum):

92.3.1 The resolution relates to the giving to him or any other person of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him or by any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings,

92.3.2 The resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- 92.3.3 His interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares, debentures or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange,
- 92.3.4 The resolution relates to any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever Provided that he does not hold an interest in shares (as that term is used in Part 22 of the Act) representing 1 per cent. or more of either any class of the equity share capital of such company or of the voting rights available to members of such company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances),
- 92.3.5 The resolution relates to any arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings, which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates, or
- 92.3.6 The resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any of the Directors or for persons who include Directors
- 92.4 For the purposes of Articles 92.1 to 92.3 inclusive:
- 92.4.1 an interest of a person who is, for any purpose of the Act (excluding any such modification thereof not in force when these Articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has;
- 92.4.2 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.
- 92.5 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of 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 in such case each of the Directors concerned (if not debarred from voting under article 92.3.4 of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment
- 92.6 If a question arises at any time as to the materiality of a Director's interest or as to his entitlement to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed
- 92.7 The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a

contravention of this Article.

#### **Number of Directors below minimum**

93. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

#### **Written resolutions**

94. A resolution in writing signed by all the Directors for the time being in the United Kingdom and entitled to vote thereon shall be as valid and effectual as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.

#### **Validity of proceedings**

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

(b) A meeting of the Directors or of a committee appointed in accordance with Article 96 may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting", when used in relation to Directors, in these Articles shall be construed accordingly. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

### **COMMITTEES OF THE DIRECTORS**

#### **Appointment and constitution of committees**

96. The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees. Any such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretions delegated to it. Any such committee or sub-committee may consist of such persons as the Board in the case of a committee, or the committee in the case of a sub-committee thinks fit whether or not Directors. Insofar as any such power or discretion is delegated to a committee or sub-committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee or sub-committee. Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to any



regulations which may from time to time be imposed by the Directors

#### Proceedings of committee meetings

97. The meetings and proceedings of any such committee or sub-committee, consisting of two or more persons, shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article.

#### POWERS OF DIRECTORS

##### General powers

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

(b) Except as provided in Article 98(C) the Board may delegate to

- (i) any committee appointed under Article 96,
- (ii) any Director;
- (iii) any board established under Article 99;
- (iv) any Secretary; and
- (v) any agent or agents appointed under Article 99, and
- (vi) such person as is referred to in Article 26.

such of the powers, authorities or discretions vested in it as the Board thinks fit. Such delegation may include power to sub-delegate and may be annulled or varied by the Board at any time, but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby.

(c) The following powers of the Board may not be delegated except to a committee appointed under Article 96, namely issuing shares, making calls (except as provided in Article 26); registering or declining to register transfers, determining Directors' remuneration, appointing and removing executive Directors, appointing Directors under Article 84, recommending and declaring dividends

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### Local boards

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

### Appointment of attorney

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

### President and Co-President

101. The Directors may appoint any person who is or has been a Director to be President or Co-President and may determine the period for which any such person is to hold office

Any such appointment may be made on such terms as to remuneration and otherwise as the Directors shall determine.

It shall be the duty of the President and/or any Co-President either individually or jointly to advise the Directors on such matters as they either individually or jointly deem to be of interest to the Company but neither the President nor Co-President shall by virtue of their office as such have any powers or duties in relation to the management of the business of the Company and shall not by virtue of their office as such be a Director of the Company. For the avoidance of doubt, the President and Co-President shall have the same duties and powers and shall each hold the formal title of President unless otherwise determined by the Directors.

The offices of President and Co-President shall be vacated by their occupants on the happening of any of the events specified in Article 86 to such occupant.

### Signature on cheques etc.

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

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### Borrowing powers

103 - Subject to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property (present and future) and uncalled capital or any part or parts 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

### ALTERNATE DIRECTORS

- 104.(a) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment.
- (b) The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director, otherwise than by retirement at a General Meeting at which he is re-elected
- (c) An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor
- (d) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### SECRETARY

- 105 (a) The Secretary shall be appointed by the Board of Directors on such terms and for such period as it may think fit. Any Secretary so appointed may at any time be removed from office by the Board of Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Board of

Directors may also appoint from time to time on such terms as it may think fit one or more Deputy Secretaries or Assistant Secretaries.

- (b) Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any reason no Secretary capable of acting, may 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.
- (c) No person shall be appointed to hold office as Secretary who is
  - (i) the sole Director of the Company; or
  - (ii) a corporation, the sole director of which is the sole Director of the Company, or
  - (iii) the sole director of a corporation which is the sole Director of the Company
- (d) A provision of the statutes or of these Articles 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 place of, the Secretary

#### THE SEAL

- 106 (a) The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf
- (b) Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.
- (c) Any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or of a committee authorised by the Directors in that behalf.
- (d) The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.
- (e) The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors

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## **AUTHENTICATION OF DOCUMENTS**

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

## **RESERVES**

### **Establishment of reserves**

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

### **Business bought as from past date**

109 Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

## **DIVIDENDS**

### **Final dividends**

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

### **Interim dividends**

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

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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

#### **Distribution in specie**

112 The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash 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.

#### **No dividend except out of profits**

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

#### **Ranking of shares for dividend**

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

#### **Manner of payment of dividends**

- 115.(a) Any dividend or other monies payable in cash on or in respect of a share may be paid by cheque, warrant or similar financial instrument, or by other means sent direct to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Such payment may be sent through the post or equivalent means of delivery or by such other means, including by electronic media, offered by the Company as the holder or joint holders may in writing agree. Every such cheque, warrant, financial instrument or other form of payment shall be made payable to the person or persons entitled or to such other person or persons as the person or persons entitled may in writing direct and payment of the cheque, warrant, financial instrument or other form of payment shall be a good discharge to the Company. Every such payment shall be sent at the risk of the person entitled to the money represented thereby.
- (b) Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Directors may determine
- (c) The Company may cease to send any cheque, warrant or order by post for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends payable on those shares the cheque, warrant or order has

been returned undelivered or remains uncashed but, subject to the provisions of these Articles, shall recommence sending cheques, warrants or orders in respect of the dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way

- (d) Where the amount payable by way of dividend to a shareholder in respect of a holding of shares at any time is not a whole number of pence, such dividend shall be rounded down to the nearest whole number and only that amount shall be payable by way of dividend. Any fractional amounts shall be retained by the Company.

#### Joint holders

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

#### Record date for dividends

117. Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

#### No interest on dividends

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

#### Retention of dividends

- 119.(a) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that share
- (b) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same

#### Unclaimed dividend

120. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of 12 years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

#### Waiver of dividend

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

#### CAPITALISATION OF PROFITS AND RESERVES

- 122.(a) The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account.
- (b) Such capitalisation shall be effected by appropriating such sum to the holders of ordinary shares on the Register at the close of business on the date of the resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of ordinary shares and applying such sum on their behalf in paying up in full unissued ordinary shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.
- (c) The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned) The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

#### SCRIP DIVIDENDS

123. With the prior approval of an Ordinary Resolution of the Company passed at any General Meeting the Directors may offer holders of ordinary shares the right to elect to receive in lieu of such dividend (or part thereof) an allotment of additional ordinary shares credited as fully paid. In any such case the following provisions shall apply:-

- (a) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value (calculated by reference to the average quotation) of the ordinary shares to be allotted in lieu of any amount of dividend shall equal such amount.
- (b) if the Directors determine to offer such right of election on any occasion they shall give notice in writing to the ordinary shareholders of the right of election offered to them and shall issue forms of election and shall specify the procedures to be followed in order to exercise such right; the Directors may also offer to ordinary shareholders the right to elect to receive ordinary shares instead of cash both in respect of the relevant dividend and in respect of future dividends not yet declared or resolved (and accordingly in respect of which the basis of allotment shall not have been determined) and shall specify the procedures to be followed in order to exercise, vary or revoke such a right of election;



- (c) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on ordinary shares in respect whereof the share election has been duly exercised ("the elected ordinary shares"), and in lieu thereof additional shares (but not any fraction of a share) shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise, out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve fund) or profit and loss account as the Directors may determine, a sum equal to the aggregate nominal amount of additional ordinary shares to be allotted on such basis and shall apply the same in paying-up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis,
- (d) the additional ordinary shares so allotted shall rank pari passu in all respects with the fully-paid ordinary shares save only as regards participation in the relevant dividend,
- (e) Article 122 shall apply (mutatis mutandis) to any capitalisation made pursuant to this Article;
- (f) the Directors may on any occasion determine that rights of election shall not be made available to any ordinary shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination, and
- (g) in relation to any particular proposed dividend the Directors may in their absolute discretion withdraw the offer previously made to ordinary shareholders to elect to receive additional ordinary shares in lieu of the cash dividend (or part thereof) at any time prior to the allotment of the additional ordinary shares

## ACCOUNTS

### Accounting records

124 Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

### Copies of accounts for members

125 A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than 21 days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to any member to whom a summary financial statement is sent in accordance with the Statutes nor to more than one of joint holders nor to any person of whose address the Company is not aware, but any member or holder of debentures to whom a

copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office

## **AUDITORS**

### **Validity of Auditor's acts**

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

### **Auditor's right to attend General Meetings**

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

## **NOTICES**

### **Service of notices**

128.(a) Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it by post in a pre-paid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained

(b) Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

(c) The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

### **Joint holders**

129. Any notice given to that one of the joint holders of a share whose name stands first in the Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded

### **Deceased and bankrupt members**

130. A person entitled to a share in consequence of the death or bankruptcy of a member

or otherwise by operation of law upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder

#### Overseas members

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

#### Suspension of postal services

132 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 shareholders' meeting by notices sent through the post, such meeting may be convened by a notice advertised on the same date in at least one national daily 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 seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

#### Statutory requirements as to notices

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

#### WINDING UP

##### Directors' power to petition

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

##### Distribution of assets in specie

135. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation

of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

#### DESTRUCTION OF DOCUMENTS

136. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that -

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article,
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner
- (d) the Company will keep copies of board minutes for at least 10 years from the date of the meeting

#### INDEMNITY

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

- (b) Without prejudice to paragraph (a) of this Article the Directors shall have power to

purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of any Relevant Company (as defined in paragraph (c) of this Article) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested; including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme

- (c) For the purpose of paragraph (b) of this Article "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

#### **Pensions**

138. The Board may exercise all the powers of the Company to establish and maintain or contribute to any pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowance or emoluments to, any individuals who are or were at any time in the employment or service of the Company or of any company which is its holding company or is a subsidiary of the Company or any such holding company or otherwise is allied to or associated with the Company, or who are or were at any time directors or officers of the Company or of any such other company, and the wives, widows, families and dependants of any such individuals, to establish and subsidise or subscribe to any institutions, associations, clubs or funds which may be considered likely to benefit any such persons or to further the interests of the Company or of any such other company; and to make payments for or towards the insurance of any such persons 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 establish, set up, support and maintain share purchase schemes or profit sharing schemes for the benefit of any employees of the Company or any company which is for the time being a holding, subsidiary or associate of the Company and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.

#### **OVERRIDING PROVISIONS**

##### **Parent Company Powers**

139. Whenever Nomura Holdings, Inc., a company incorporated in Japan (hereinafter called the "Parent Company"), or any subsidiary of the Parent Company, shall be holder of not less than 90 per cent of the issued ordinary shares, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against other provisions of these Articles except for Article 140.-

- (a) The Parent Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed but so that in the case of a Director holding an executive office with the Company his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claims for damages for breach of any contract of services between him and the Company;



- (b) No unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company,
- (c) Any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe,

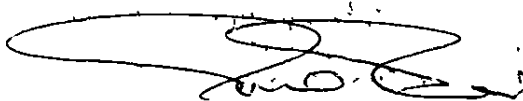
Any such appointment, removal, consent or notice shall be in writing (which expression shall include notices by telex, cable or facsimile transmission) served on the Company and signed on behalf of the Parent Company by any one of its Directors or some other person duly authorised for the purpose. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent Company has been obtained and no obligation incurred security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time expressed notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

#### Management of Business

140. Subject to the Articles of Association 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 provided that the business of the Company shall be so managed as to comply with the Rules and Regulations for the time being of the London Stock Exchange, The Securities and Futures Authority (and any other self-regulatory organisation which may apply to the business of the company), the Bank of England, the Securities and Investments Board, the City Panel and Take-overs and Mergers, and any other Investment Exchange whereby business may be regulated and further, to abide by any other requirements that may be imposed on the Company by the requirements of the Financial Services and Markets Act 2000 or any statutory modification or reenactment thereof for the time being in force and effecting the Company. In the event of any conflict between this Article and the provisions of any other Article of the Company, the provisions of this Article shall prevail

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