

Company No 1962902

RESOLUTION(S)
of
CHAPS CLEARING COMPANY LIMITED (the "Company")

PASSED AS A RESOLUTION OF THE COMPANY
ON 25th April 2012

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following special resolution was passed as a special resolution of the Company

SPECIAL RESOLUTION

- 1 THAT the new Memorandum and Articles of Association, the form accompanying this Special Resolution, be and are hereby adopted as the Memorandum and Articles of Association of the Company in substitution for and to the exclusion of all the existing Memorandum and Articles of Association



Signed

A handwritten signature in black ink, appearing to be "P. J. L.", followed by a horizontal line.

Philip Kenworthy – Managing Director
CHAPS Clearing Company Limited

Dated

3/5/2012

THE COMPANIES ACTS 1985 to 2006

A COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

CHAPS CLEARING COMPANY LIMITED

Company Number 1962902

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

NAME, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber (in words)
--	--

The Governor & Company of the Bank of England
Threadneedle Street, London EC2

One

By RIL Allen

Midland Bank plc
Poultry, London EC2

One

By P Walton

Girobank plc
10 Milk Street, London EC2

One

By SS Housley

DATED the 4th day of October 1985

Witness to the above signatures: -

Peter Rowe
10 Lombard Street
London EC3V 9AP

THE COMPANIES ACTS 1985 to 2006

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

— of —

CHAPS CLEARING COMPANY LIMITED

Company Number 1962902

CONTENTS

<u>Article No</u>	<u>Article</u>	<u>Page No</u>
PART 1: GENERAL		
1	THE COMPANY	1
2	THESE ARTICLES	1
3	INTERPRETATION	1
4	SHARE CAPITAL	4
5	REGISTERED OFFICE	4
PART 2: SHAREHOLDERS AND MEMBERSHIP		
6	SHAREHOLDERS	4
7	CHARGES	5
PART 3: SHARES AND SHARE RIGHTS		
8	SHARE RIGHTS	5
9	MODIFICATION OF RIGHTS	5
10	SHARES	6

<u>Article No.</u>	<u>Article</u>	<u>Page No.</u>
11	CERTIFICATES	7
12	LIEN	8
13	CALLS ON SHARES	9
14	FORFEITURE	9
 PART 4: TRANSFER OF SHARES		
15	MODE OF TRANSFER OF SHARES	10
16.	TRANSFER OF SHARES	11
17	TERMINATION OF SHAREHOLDING	12
 PART 5: CAPITAL OF THE COMPANY		
18	INCREASE OF CAPITAL	13
19	ALTERATIONS OF CAPITAL	13
 PART 6: GENERAL MEETINGS		
20.	GENERAL MEETINGS	14
21.	NOTICE OF GENERAL MEETINGS	14
22.	PROCEEDINGS AT GENERAL MEETING	15
23	VOTING	16
24.	VOTES OF SHAREHOLDERS	17
25	PROXIES	19
26	REPRESENTATIVES OF CORPORATIONS	20
27	SHAREHOLDERS' RESOLUTIONS	20
 PART 7: DIRECTORS		
28	APPOINTMENT AND REMOVAL OF DIRECTORS	20
29	DISQUALIFICATION OF DIRECTORS	21
30	DIRECTORS' REMUNERATION AND EXPENSES	22
31	ALTERNATE DIRECTORS	22
32	DIRECTORS' INTERESTS	23
 PART 8: THE BOARD		
33	POWERS AND DUTIES OF THE BOARD	24
34	PROCEEDINGS OF THE BOARD	26
35	COMMITTEES	29

<u>Article No.</u>	<u>Article</u>	<u>Page No.</u>
PART 9: OTHER OFFICERS		
36	CHIEF EXECUTIVE	30
37	EXECUTIVE OFFICERS AND OTHER OFFICERS	30
38.	SECRETARY	30
PART 10: DIVIDENDS, RESERVES AND CAPITALISATION OF PROFITS		
39	DIVIDENDS AND OTHER PAYMENTS	31
40.	RESERVES	32
41.	CAPITALISATION OF PROFITS	32
PART 11: MISCELLANEOUS		
42	RECORD DATES	33
43	ACCOUNTS	34
44	AUDIT	34
45	THE SEAL	34
46	SERVICE OF NOTICES AND OTHER DOCUMENTS	34
47	DESTRUCTION OF DOCUMENTS	35
48	WINDING UP	36
49	INDEMNITY	37

THE COMPANIES ACTS 1985 to 2006

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

CHAPS CLEARING COMPANY LIMITED

Adopted by Resolution on 25th April 2012

Company Number 1962902

PART 1: GENERAL

1. THE COMPANY

The Company is a private company limited by shares

2. THESE ARTICLES

The provisions of these Articles constitute the regulations of the Company to the exclusion of all other regulations prescribed under any statute concerning companies which might otherwise apply to the Company.

3. INTERPRETATION

3.1 In these Articles unless the context otherwise requires:

- (a) “these Articles” means these Articles of Association in their present form or as from time to time altered,
- (b) the “Board” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present,
- (c) “CHAPS” means the scheme operated by the Company, membership of which is dependent upon agreement to abide by the CHAPS Rules,

- (d) “CHAPS Rules” means the rules of CHAPS from time to time in force as established by the Board,
- (e) “Clearing” means any system, device or service operated by the Company for the clearing, collection, payment, transfer, transmission, distribution or exchange of moneys, funds, payments, securities, information or other items between any two or more persons or between two or more branches or offices of the same person;
- (f) “Clearing Message” means a Clearing, collection, payment, transfer, transmission, distribution or exchange message of value, effected through a Clearing System,
- (g) “Clearing System” means any system, device or service operated by the Company for the clearing, collection, payment, transfer, transmission, distribution or exchange of moneys, funds, payments, securities, information or other items between any two or more persons,
- (h) “Clearing Volume” means the number of Clearing Messages carried out in a fixed period by a Shareholder or Shareholders expressed as a percentage of the total number of Clearing Messages carried out in that fixed period by all the Shareholders,
- (i) “Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company, and as amended or re-enacted from time to time,
- (j) “Corporate Group”, in relation to a Shareholder means that Shareholder and all its Subsidiary Undertakings and Parent Undertakings and any Subsidiary Undertakings of its Parent Undertakings from time to time;
- (k) “debenture” and “debenture holder” shall include debenture stock and debenture stockholder respectively,
- (l) “dividend” includes bonus,
- (m) “Electronic Communication” means the same as in the Electronic Communications Act 2000;
- (n) “paid up” means paid up or credited as paid up,
- (o) “Parent Undertaking” has the meaning given to it under section 1162 of the Companies Act 2006;

- (p) “person” includes any person, firm, company, corporation, unincorporated association or other association of persons or any two or more of the foregoing,
- (q) the “Register” means the register of Shareholders of the Company;
- (r) the “Rules” means the rules of CHAPS and/or any other payment scheme operated by the Company from time to time in force as established by the Board,
- (s) the “Seal” means the common seal of the Company,
- (t) the “Secretary” includes a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary,
- (u) “Shareholder” means, subject to the provisions of these Articles regarding termination of membership, any person registered in the Register as the holder of shares in the Company,
- (v) “Subsidiary Undertaking” has the meaning given to it under section 1162 of the Companies Act 2006,
- (w) the “United Kingdom” means Great Britain and Northern Ireland,
- (x) references to writing shall be deemed to include typewriting, printing, lithograph, photography and other modes of representing or reproducing words in a legible form;
- (y) any words or expressions defined in the Companies Acts shall bear the same meaning in these Articles save to the extent they are otherwise specifically defined in these Articles, and
- (z) where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective

3 2 These Articles are divided into paragraphs numbered consecutively and such paragraphs are, where appropriate, divided into sub-paragraphs numbered consecutively. A reference to a numbered Article is a reference to the relevant paragraph of these Articles and a reference to a numbered sub-paragraph of an Article is a reference to the relevant sub-paragraph of the relevant Article.

3 3 The headings to Articles, the division of these Articles into Parts and the headings to Parts in these Articles are for ease of reference only and shall not affect the construction of these Articles.

3.4 In these Articles a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa.

4. SHARE CAPITAL

The authorised share capital of the Company is £10,000 divided into 100,000 shares of ten pence each

5. REGISTERED OFFICE

The registered office shall be at such place in England or Wales as the Board shall from time to time designate.

PART 2 SHAREHOLDERS AND MEMBERSHIP

6. SHAREHOLDERS

6.1 The Board shall admit as a Shareholder on demand any person who becomes eligible for membership of one or more payment schemes under the management of the Company, subject to such person meeting the requirements for membership of the payment scheme(s) in question, and agreeing, in writing, to comply with the Rules

6.2 Any Shareholder who ceases to be a member of a payment scheme operated by the Company as provided for by the Rules and who, as a consequence, is no longer a member of at least one of the payment schemes operated by the Company shall cease to be eligible to remain a Shareholder

6.3 Notwithstanding Article 6.2 the Governor and Company of the Bank of England shall be entitled to be a Shareholder as of right.

7. CHARGES

7.1 The Board may from time to time require the Shareholders to contribute, in the amounts and in the manner determined by the Board to be equitable between the Shareholders, towards the payment and discharge of the costs and liabilities incurred by the Company.

PART 3: SHARES AND SHARE RIGHTS

8 SHARE RIGHTS

8.1 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares in the Company, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividends, voting, return of capital or otherwise as the Company may by special resolution determine

8.2 Subject to the Companies Acts, any shares may, with the sanction of a special resolution, be issued on the terms that they are, at the option of the Company, liable to be redeemed on such terms and in such manner as the Company may by such or any other special resolution determine

9. MODIFICATION OF RIGHTS

9.1 Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To any such separate general meeting, all the provisions of these Articles as to general meetings of the Company shall apply, but so that:

(a) the necessary quorum shall be two or more persons present in person or by proxy holding not less than three-quarters in nominal value of the issued shares of the class,

(b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and

(c) any holder of shares of the class present in person or by proxy may demand a poll

9.2 The special rights conferred upon the holders of any shares or class of shares in the Company shall be deemed, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, not to be altered by the creation or issue of further shares ranking *pari passu* therewith

10. SHARES

10 1 A Shareholder may give written notice to the Board at any time, requiring the Board to issue shares in accordance with Article 16 2, and the Board shall act upon such notice within 21 days of receipt of such notice.

10 2 The provisions of Section 561 and subsections (1) to (5) of Section 562 of the Companies Act 2006 are hereby excluded pursuant to Section 567 of the Companies Act 2006 and accordingly so long as the Company remains a private company the pre-emption rights otherwise conferred by the said Section 561 upon existing shareholders in relation to the allotment of equity securities for cash do not apply

10 3 The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts

10 4 Except as ordered by a Court of competent jurisdiction or as required by law or as expressly permitted by these Articles, no Shareholder shall sell, transfer, assign or otherwise part with any interest (whether legal or equitable) in all or any shares in the Company held by such Shareholder and no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest, in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

11. CERTIFICATES

11 1 Every person whose name is entered as a holder of any share in the Register shall be entitled, without charge to receive within two months after allotment or lodgement of the transfer to him of the shares in respect of which he is so registered (or within such other period as the terms of issue shall provide) one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class. Provided always that the Company shall not be bound to issue more than one certificate in respect of a share held jointly by several persons and delivery thereof to one of several joint holders shall be sufficient delivery to all. A Shareholder who has sold or transferred part of the shares comprised in his holding shall be entitled to a certificate for the balance without charge. Delivery of a certificate to the agent acting in regard to the purchase, sale or transfer of shares to whom it relates shall be sufficient delivery to the purchaser, transferee or, as the case may be, the Shareholder.

11 2 If a share certificate is defaced, worn out, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and out-of-

pocket expenses of the Company of investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

11.3 Every certificate for shares or debentures or representing any other form of security (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under the Seal of the Company.

12. LIEN

12.1 The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien and charge on every share (other than a fully paid share) standing registered in the name of a Shareholder (whether singly or jointly with any other person or persons) for all the debts and liabilities of such Shareholder or his estate owing to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether such debt is presently payable or such liability has actually arisen or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien and charge, if any, on a share shall extend to all dividends payable thereon. The Board may at any time either generally or in any particular case waive any lien or charge that has arisen, or declare any share to be wholly or in part exempt from the provisions of this Article

12.2 The Company may sell in such manner as the Board determines any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death, bankruptcy, winding up or insolvency of the holder demanding payment and stating that if the notice is not complied with the shares may be sold

12.3 To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in, or invalidity of the proceedings in reference to, the sale

12.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so

much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

13. CALLS ON SHARES

13 1 The Board may from time to time make calls upon the Shareholders in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the terms of issue thereof made payable at the date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

13 2 A call may be required to be paid by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

13 3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

13.4 If a sum called in respect of a share or an instalment thereof shall not be 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 date of actual payment at such rate, not exceeding 15 per cent per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

13 5 Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue 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 issue, the same becomes payable and, 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 has become payable by virtue of a call duly made and notified.

13 6 The Board may, on the issue of shares, differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

14. FORFEITURE

14 1 If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

14 2 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

14 3 Subject to the provisions of the Companies Acts and these Articles, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board may determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share to that person.

14 4 A person any of whose shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Companies Acts) from the date of forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

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

PART 4: TRANSFER OF SHARES

15. MODE OF TRANSFER OF SHARES

15.1 The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee

15.2 Subject to Article 15.3 the Board shall refuse to register the transfer of a share which is not transferred in accordance with Article 16 and may refuse to register the transfer of a share on which the Company has a lien and may also refuse to register a transfer unless:-

- (a) it is lodged at the Registered Office or at such other place as the Board may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer,
- (b) it is in respect of only one class of shares, and
- (c) it is in favour of not more than four transferees.

15.3 The Board shall not refuse to register any transfer of shares made pursuant to Article 16 provided that the provisions of paragraphs (a) to (c) of Article 15.2 are satisfied in relation to such transfer. The Board shall refuse to register a transfer where the transferee is not, or is not entitled to be, a Shareholder, unless the transferee is a nominee to which a transfer is made pursuant to Article 17.1

15.4 If the Board refuses to register a transfer of a share, it shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal and state its reason

15.5 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Board may determine.

15.6 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

15.7 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person

lodging it when notice of the refusal is given

16. TRANSFER OF SHARES

16.1 Transfers of shares in the Company shall take place only in the following circumstances:

- (a) where any person not already a Shareholder seeks and is eligible to be a Shareholder,
- (b) where the transfer has been previously approved by the Board or is otherwise in accordance with these Articles

16.2 Upon the admission to membership of any new Shareholder, the Secretary shall arrange at nominal value for the issue to that Shareholder of one share in the Company or transfer from a nominee designated by the Board.

16.3 Where a change in the Shareholders results from the substitution as Shareholder for one company in a Corporate Group of any other company in the same or another Corporate Group as a result of a reorganisation within such Corporate Group(s), then, unless the Board otherwise requires, a transfer of shares between the departing Shareholder and the new Shareholder shall be sufficient, and the Board may require that the new Shareholder shall be liable in substitution for the departing Shareholder to make contributions in accordance with Article 7 to the Company in respect of the period during which the departing Shareholder was a Shareholder in the Company

17. TERMINATION OF SHAREHOLDING

17.1 If a Shareholder ceases to be eligible to be a Shareholder pursuant to these Articles, the Board shall make arrangements for the repurchase by the Company of the shares held by that Shareholder; and:

- (a) pending determination of the appropriate arrangements the Board may require that the whole of the departing Shareholder's shareholding in the Company be transferred to a nominee designated by the Board and,
- (b) the price payable to the departing Shareholder on any repurchase by the Company or any transfer under this Article shall be equal to the nominal value of the share(s) owned by the departing Shareholder.

17.2 Notwithstanding the termination of a Shareholder's shareholding under this Article, such Shareholder shall remain liable to make contributions to the Company in accordance with Article 7 in respect of the period during which such Shareholder was a shareholder in the Company.

PART 5 : CAPITAL OF THE COMPANY

18. INCREASE OF CAPITAL

18.1 The Company in general meeting may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts and with such rights and privileges annexed thereto as the resolution shall prescribe

18.2 The Company may, by the resolution increasing its capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or may (subject to the provisions of the Companies Acts) make any other provisions as to the issue of the new shares

18.3 The new shares shall be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise.

19. ALTERATIONS OF CAPITAL

19.1 The Company may from time to time by ordinary resolution 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 authorised share capital by the amount of the shares so cancelled

19.2 Where any difficulty arises in regard to any consolidation and division of shares, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions, and the distribution of the net proceeds of sale in due proportion amongst the Shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

PART 6: GENERAL MEETINGS

20. GENERAL MEETINGS

20.1 The Board may, whenever it thinks fit, convene a general meeting and general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Sections 303 to 305 of the Companies Act 2006. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Shareholders of the Company may convene a general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board

20.2 The time and place of any meeting shall be determined by the conveners of the meeting.

21. NOTICE OF GENERAL MEETINGS

21.1 (a) Any general meeting of the Company shall be called by not less than fourteen days' written notice

(b) The period of notice shall be exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given and the notice shall specify the place, day and time of meeting and the general nature of that business

(c) The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution and shall include the text of the special resolution

(d) Notice of every general meeting shall be given in the manner herein mentioned to all Shareholders other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to each of the Directors and the chief executive of the Company.

(e) In every notice convening a meeting, there shall appear with reasonable prominence a statement that a Shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and to vote instead of him and that a proxy need not be a Shareholder.

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

(a) by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 90 per cent in nominal value of the shares giving that right.

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

21.3 The omission to give notice of a meeting (for whatever reason) to any of the Directors or the chief executive of the Company shall not invalidate the proceedings of that meeting.

22. PROCEEDINGS AT GENERAL MEETING

22.1 No business, other than the appointment of a chairman, shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these Articles, at any general meeting two or more Shareholders present in person or by proxy and entitled to notice of and to attend and vote at such meeting shall be a quorum for all purposes. A corporation being a Shareholder shall be deemed for the purpose of these Articles to be present in person if represented by proxy or in accordance with the provisions of the Companies Acts.

22.2 If within fifteen minutes after the time appointed for the meeting a quorum is not present, the meeting if convened on the requisition of Shareholders shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Chairman of the meeting may determine.

22.3 Each Director shall be entitled to attend and speak at any general meeting of the Company.

22.4 The Chairman (if any) of the Board or, in his absence, the deputy Chairman (if any) shall preside as Chairman at every general meeting. If there is no such Chairman or deputy Chairman, or if at any meeting neither the Chairman nor the deputy Chairman is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing or able to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as Chairman if willing to act. If no Director is present, or

if each of the Directors present decline to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman of the meeting.

22.5 The Chairman may with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

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

23. VOTING

23.1 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded either by the Chairman of the meeting or by any Shareholder or Shareholders present in person or by proxy and having the right to attend and vote at the meeting or any Shareholder or Shareholders present in person or by proxy and holding shares conferring a right to attend and vote at the meeting.

23.2 Unless a poll is demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

23.3 The demand for a poll may be withdrawn.

23.4 If a poll is duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

23.5 A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than three months after the date of the demand) and place as the Chairman shall direct. It shall not be necessary (unless the Chairman otherwise directs) for notice to be given of a poll which is not taken forthwith.

23.6 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

23.7 The Chairman of any general meeting shall not, notwithstanding an equality of votes at such general meeting, be entitled to an additional or casting vote

24. VOTES OF SHAREHOLDERS

24.1 Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Shareholder who is present in person or by proxy at a general meeting of the Company shall have one vote, and on a poll every Shareholder who is present in person or by proxy (or, where Shareholders are members of the same Corporate Group, the Shareholder who is nominated by the Shareholders representing that Corporate Group) shall have one vote for each payment scheme operated by the Company in which he (or his Corporate Group, as appropriate) participates (in accordance with the Rules) as at the date of the meeting and one additional vote in respect of each such payment scheme in which his (or his Corporate Group's, as appropriate) Clearing Volume exceeded 10% of the total Clearing Volume of that payment scheme for the previous year ending 31 December as determined by the Board.

24.2 Voting rights as determined by the Board in accordance with this Article shall be notified to Shareholders on or before 31 January each year and shall be effective from the date that such notification is deemed to have been given pursuant to Article 46 and until any revision is notified in accordance with this Article. Where an existing Shareholder ceases to be a Shareholder of the Company, the Board shall recalculate the Clearing Volume for each remaining Shareholder for the previous year ending 31 December and shall provide notification to any remaining Shareholder who becomes entitled to an additional vote or votes following such recalculation. Each such remaining Shareholder shall be entitled to such additional vote or votes at any general meeting held on or after the date such notification is deemed to have been given pursuant to Article 46.

24.3 Upon admission of a new Shareholder, that Shareholder shall be entitled to one vote on any resolution at a general meeting of the Company unless it is a member of the same Corporate Group as an existing Shareholder in which case it shall not be entitled to an additional vote. If a Shareholder is substituted pursuant to Article 16.3, the transferee Shareholder will have the number of votes that were previously allocated to the transferor Shareholder for the remainder of the year in question. The Board shall notify a new Shareholder of the number of votes allocated to it pursuant to this Article on the date on which the new Shareholder becomes a Shareholder.

and thereafter each such Shareholder shall be entitled to the number of votes allocated to it at any general meeting held on or after the date on which such notification is deemed to have been given pursuant to Article 46 for the remainder of the year in question.

24.4 On a poll votes may be given either personally or by proxy

24.5 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way

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

24.7 No Shareholder shall, unless the Board otherwise determines, be entitled to be present or vote at any general meeting or to exercise any privilege as a Shareholder in relation to meetings of the Company unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or if he or any person appearing to be interested in such shares has been duly served with a notice under the Companies Acts and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article, a person shall be treated as appearing to be interested in any shares if the Shareholder holding such shares has given to the Company a notification under the Companies Acts which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares

24.8 If at any general meeting (i) any objection shall be raised to the qualification of any voter or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the objection is raised or the error pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if in the opinion of the Chairman, the objection or error is of sufficient magnitude to affect the result of the voting. The decision of the Chairman on such matters shall be final and conclusive

25. PROXIES

25.1 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in a form which is usual or which the directors may approve.

25.2 The instrument appointing a proxy and any authority under which it is executed (or such copy of the instrument or the authority or both as the directors may approve) may

- (a) in the case of an instrument in writing:
 - (i) be deposited at the Registered Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, or
 - (ii) be deposited with the chairman or the Secretary at the place where the meeting or adjourned meeting is to be held
- (b) in the case of an appointment contained in an Electronic Communication, where an address has been specified for the purpose of receiving Electronic Communications
 - (i) in the notice convening the meeting, or
 - (ii) in any instrument of proxy sent out by the Company in relation to the meeting, or
 - (iii) in any invitation contained in an Electronic Communication to appoint a proxy issued by the Company in relation to the meeting

25.3 Any such notice of proxy to be received at such address or place within the following times

- (a) In the case of a meeting or adjourned meeting, 48 hours before the time for holding the meeting or adjourned meeting
- (b) In the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of the poll
- (c) In the case of a poll taken not more than 48 hours after it was demanded, the time at which it was demanded

25.4 A proxy shall have the same powers to vote and speak at a meeting of the Company as a Shareholder present in person. A proxy need not be a Shareholder of the Company

25.5 Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well as for any adjournment of the meeting as for the meeting to which it relates.

25.6 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Registered Office (or such other place in the United Kingdom as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used

26. REPRESENTATIVES OF CORPORATIONS

26.1 Any corporation which is a Shareholder may by resolution of its directors or other governing body or otherwise in accordance with the law governing that Shareholder authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Shareholders of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Shareholder 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

27. SHAREHOLDERS' RESOLUTIONS

- 27.1 Subject to the provisions of the Companies Acts, a resolution in writing signed by or on behalf of Shareholders of the Company representing, in the case of a written ordinary resolution, a simple majority of voting rights, and, in the case of a written special resolution, 75% of voting rights, of those Shareholders who, at the date of circulation of such resolution, would have been entitled to vote on the resolution, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held
- 27.2 On a written resolution votes will be calculated on the same basis as votes are calculated on a poll in accordance with Article 24.

PART 7 : DIRECTORS

28. APPOINTMENT AND REMOVAL OF DIRECTORS

28.1 Subject to Article 28.2, each Shareholder shall be entitled by notice in writing to the Company to appoint any one person as a Director of the Company and by the like notice to

remove any Director so appointed by it and to appoint another in his stead

28.2 Where two or more Shareholders are members of the same Corporate Group, then the right to issue a notice pursuant to Article 28.1 shall be held by such one of them as they may determine but such nomination shall not be effective unless in writing and until it has been received by the Company and in the absence of such a nomination the Shareholder entitled to issue a notice shall be determined as follows.

(a) where there is a holding company/subsidiary company relationship between the two or more Shareholders, then as between the Shareholders in such relationship the holding company shall be the Shareholder entitled to issue such a notice, and

(b) where there is no such relationship between any of the two or more Shareholders, then as between such Shareholders the first to become a Shareholder shall be the Shareholder entitled to issue such a notice.

28.3 No appointment of a person as Director shall have effect unless and until his consent in the prescribed form to act as a Director shall have been received at the Company's Registered Office either in writing or by Electronic Communication or in any form as the Company deems necessary

28.4 No director shall vacate his office or be ineligible for re-appointment as a director, nor shall any person be ineligible for appointment as director, by reason only of his having attained a particular age

29. DISQUALIFICATION OF DIRECTORS

29.1 The office of a Director shall be vacated if

(a) the Director resigns his office by written notice to the Company; or

(b) the Director becomes of unsound mind or a patient for the purpose of any statute relating to mental health and the Board resolves that his office is vacated, or

(c) the Director has without leave, been absent from meetings of the Board (whether or not any alternate Director appointed by him attends) for three consecutive Board meetings and the Board resolves that, by reason of such absence, his office is vacated; or

(d) the Director becomes bankrupt or makes any arrangement or composition with his creditors, or

- (e) the Director is prohibited by law from being a Director; or
- (f) the Director ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Articles; or
- (g) the Shareholder nominating the Director ceases to be a Shareholder

30. DIRECTORS' REMUNERATION AND EXPENSES

30.1 In addition to any remuneration payable to a Director for his services to the Company as an executive of the Company, each Director shall be entitled to such fees for his services as a Director as shall from time to time be determined by the Company by ordinary resolution in general meeting or in default by the Board. Such remuneration shall, subject to any special directions of the Company in general meeting be deemed to accrue from day to day.

30.2 Each Director may also be paid all reasonable travelling, hotel and incidental expenses properly incurred by him in attending and returning from meetings of the Board or committees of the Board or general meetings or in connection with the business of the Company.

30.3 Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for, by, or pursuant to, any other Article.

31. ALTERNATE DIRECTORS

31.1 A Director may at any time and from time to time appoint any other Director, or any other person, as his alternate and may at any time revoke any such appointment. Any such appointment may be special, that is limited to a particular meeting, or general, that is effective until determined.

31.2 In the absence of his appointor, a special alternate shall be entitled to represent his appointor and vote in his place at the meeting referred to in his appointment.

31.3 A general alternate shall (subject to his giving to the Company an address for service within the United Kingdom) be entitled to notice of meetings of Directors, to attend and vote as a

Director at any meeting at which his appointor is not personally present, and generally, in the absence of his appointor, to exercise all the functions of his appointor as a Director

31.4 A Director present at a meeting of Directors and appointed alternate (whether special or general) for another Director shall have an additional vote or votes (including any additional vote under Article 34.4) for each of his appointors absent from such meeting.

31.5 An alternate Director shall be deemed an officer of the Company and not the agent of his appointor

31.6 The appointor of an alternate Director may direct the payment to the alternate Director of part or all of the remuneration which would otherwise be payable to the appointor. Except as so directed, an alternate Director shall not be entitled to any remuneration from the Company for acting in that capacity

31.7 An alternate Director shall cease to be an alternate Director if for any reason his appointment is revoked or his appointor ceases to be a Director or if he resigns.

31.8 All appointments and revocations of appointments and resignations of alternate Directors shall be in writing left at the Company's Registered Office and signed by the appointor or in case of resignation by the alternate

31.9 An alternate Director shall not require any share qualification but a general alternate by virtue of his office shall be entitled to attend and speak at any General Meeting of the Company or at any separate meeting of the holders of any class of shares of the Company whether or not he is entitled to attend by virtue of a holding of shares and whether or not his appointor is present.

31.10 No appointment of a person as alternate Director shall have effect unless and until his consent in the prescribed form to act as a Director shall have been received at the Company's Registered Office.

32. DIRECTORS' INTERESTS

32.1 A director is under a 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. However, this duty is not infringed if:

- (1) the situation cannot reasonably be regarded as giving rise to a conflict of interests. This will include, but is not limited to, the situation in which a Director is an employee of his/her nominating Member, or

(11) the matter has been authorised by the Board in accordance with section 175(5)(a) of the Companies Act 2006 notwithstanding the provisions in these Articles relating to notice and quorum (the director in question or any other interested director should not be counted in the quorum or permitted to vote on a resolution authorising such conflict) at such a meeting where authorisation is given.

If the conflict is not authorised by the Board, the director in question or any other interested director will not be authorised to vote on any matter giving rise to a conflict of interests and/or conflict of duties

32.2 Subject to the provisions of the Companies Act 2006 and Article 32.1, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office -

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

(b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, (i) any body corporate promoted by the Company, (ii) any body corporate in which the Company is otherwise interested or (iii) any Shareholder; and

(c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

32.3 For the purposes of Article 32.1

(a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

(b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

PART 8 : THE BOARD

33. POWERS AND DUTIES OF THE BOARD

33.1 The business of the Company shall be managed by the Board, which may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Companies Acts or by these Articles required to be exercised by the Company in general meeting subject nevertheless, to the provisions of the Companies Acts and of these Articles and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations 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 Board by any other Article.

33.2 The Board may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and, subject to the Companies Acts to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

33.3 The Board may by power of attorney appoint any company, firm or persons or any fluctuating body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Articles) and for such period and subject to such conditions as it may think fit; and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board 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.

33.4 The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

33.5 The Company may exercise the powers conferred by the Companies Acts with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

33.6 Subject to the provisions of the Companies Acts, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such provisions as it may

think fit respecting the keeping of any such register.

33.7 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, 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 Board shall from time to time by resolution determine.

33.8 The Board shall cause minutes to be made in books provided for the purpose

- (a) of all appointments of officers made by the Board; and
- (b) of the names of the Directors present at each meeting of the Board or committee of the Board; and
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of any committee of the Board

33.9 Any such minute of any meeting of the Board or of any committee appointed by the Board or of the Company shall be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting and, if purporting to be so signed, shall be sufficient evidence without any further proof of the facts therein stated

33.10 The Board on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a Director or former Director who has not been a director holding or who has held any executive or other office or place of profit under the Company (or to a person who has no claim on the Company except as a relation, connection or dependant of such a Director or former Director) without the approval of an ordinary resolution of the Company. A Director or former Director shall not be accountable to the Company or the Shareholders for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company

34. PROCEEDINGS OF THE BOARD

34.1 (1) The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a

three-fourths majority of Eligible Votes. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting

(2) In these Articles “Eligible Votes” means the aggregate of the votes of all Directors for the time being entitled to attend and vote at meetings of the Board, including any additional votes held by virtue of Article 34.4, and “Eligible Vote” means any of such votes

(3) A meeting of Directors may be validly held notwithstanding that such Directors may not be in the same place provided that they are in constant communication with each other throughout by telephone, television or other form of communication.

34.2 The Board may from time to time determine a minimum period of notice of a Board Meeting to be given, subject to Article 34.3, to each Director and in the absence of any such determination, and subject as set out in Article 39, the minimum period of notice shall be 48 hours provided that with respect to any meeting of the Board the minimum period of notice shall be waived if so agreed by not less than 90% of the Directors entitled to notice of and to attend and vote at such meeting

34.3 Notice of a Board meeting shall be deemed to be duly given to a Director if the same is given to him personally, by word of mouth, by Electronic Communication or sent to him at his last-known address or any other address given by him to the Company for this purpose, provided that it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively.

34.4 At meetings of the Board each Director appointed pursuant to Article 28.1 or Article 28.2 shall have one vote for each payment scheme operated by the Company of which his appointing Shareholder (or Corporate Group, as appropriate) is a member, as at the date of the meeting. Any Director appointed by a Shareholder whose Clearing Volume, (or whose Corporate Group's Clearing Volume, as appropriate) exceeded 10% of the total Clearing Volume of one or more payment schemes operated by the Company for the prior year ended 31 December as determined by the Board shall by virtue thereof be entitled to one additional vote for each such payment scheme at meetings of the Board, and each of the ordinary votes of such Director and each such additional vote or votes pursuant to this Article shall be an Eligible Vote.

34.5 The quorum necessary for the transaction of the business of the Board shall be such number of Directors as hold not less than three-fourths of Eligible Votes and who together have been nominated by Shareholders having not less than 50% of the total Clearing Volume of each payment scheme managed by the Company for the prior year ended 31 December, as determined by the Board (save that, if the subject of the vote relates to a particular Shareholder, the Director

appointed by the Shareholder who is the subject of the vote, or a Director appointed by a Shareholder in the same Corporate Group as the Shareholder who is the subject of the vote, shall not count for the purposes of forming a quorum for such meeting and shall not be entitled to vote at the meeting of the Board) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present An absent Director who is represented by an alternate Director present at a meeting of Directors may be counted in reckoning whether a quorum is present Subject to the Companies Acts and to his having declared his interest in accordance with Article 32, a Director may vote in respect of any contract, transaction or arrangement of the Company in which he is interested and shall be counted in reckoning whether a quorum is present

34.6 The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board 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 (notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director) may act for the purpose of appointing sufficient Directors to bring the Board up to the requisite number or of summoning general meetings of the Company but not for any other purpose

34.7 The Board may elect a Chairman of the Board to act as Chairman of its meetings and the Board may determine the period for which he is to hold office, the terms and conditions of his appointment and his remuneration Any Chairman so elected may be removed by the Board at any time and from time to time. The Chairman need not be a Director Where the Chairman is not also a Director appointed by a Shareholder he shall, by virtue of his office as Chairman, have one vote (but no additional or casting vote) at meetings of the Board, except during any period when there is a Director who has been appointed by a Shareholder of which the Chairman is an officer or employee Where the Chairman is the Director appointed by a Shareholder, he shall have no additional vote by virtue of his office as Chairman. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

34.8 A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

34.9 A meeting of the Board to determine whether a Shareholder should, in accordance with the Rules, be excluded or suspended from a payment scheme under the management of the Company may be called by the Chairman, a Director, or the Secretary at the request of a Director, or by the chief executive or by any other officer of the company, by notifying all

Directors. Any such notice shall be immediate. The quorum for such meeting shall be Directors representing not less than 75 per cent of Eligible Votes (excluding any Eligible Votes of a Director appointed by the Shareholder which is the subject of the suspension or exclusion decision or any Director appointed by a Shareholder within the same Corporate Group as that Shareholder).

34 10 The Director appointed by the Shareholder who is the subject of such a meeting shall be notified of the time and place of the meeting and shall be entitled to attend the meeting and be heard in defence but shall not be entitled to be present at the voting or take part in the proceedings otherwise than as the Directors present at that meeting (other than the Director, if any, appointed by that Shareholder and any Director appointed by a Shareholder in that Shareholder's Corporate Group) shall permit. A Shareholder shall be entitled to invoke any dispute process established by the Company in connection with the administration of the Clearings, however, pending the outcome of any such dispute process, the Board's decision shall stand.

34 11 The Board shall be entitled to invite any person who is not a Director to attend and speak at any of its meetings but no such person shall have a vote at any such meeting. The chief executive of the Company shall be entitled to receive notice of, and either in person or by a representative to attend and speak at, all meetings of the Board, but neither shall have a vote at any such meetings by virtue of his office. The omission to give such notice of a meeting (for whatever reason) shall not invalidate the proceedings of that meeting.

34 12 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as a resolution passed at a meeting of the Board duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors. A copy of any such resolution in writing shall be given to the chief executive of the Company.

34 13 All acts done by the Board or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

35. COMMITTEES

35 1 The Board may delegate any of its powers, authorities and discretions (with or without power to sub-delegate) to committees, consisting of such person or persons as it thinks fit but always including at least one Director. Any committee so formed shall, in the exercise of the

powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board and, subject thereto, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board.

35 2 A resolution in writing signed by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more members of the committee concerned.

35 3 All acts done by any committee or by any person acting as a member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a member of such committee.

35 4 A meeting of a committee may be validly held notwithstanding that its members may not be in the same place provided that they are in constant communication with each other throughout by telephone, television or other form of communication.

35 5 The chief executive of the Company shall be entitled to receive notice of all meetings of a committee and to attend either personally or by representative and to speak at such meetings, but he shall not have any vote at committee meetings by virtue of his office.

PART 9 : OTHER OFFICERS

36. CHIEF EXECUTIVE

36 1 A chief executive of the Company may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any chief executive so appointed may be removed by the Board from time to time and at any time.

37. EXECUTIVE OFFICERS AND OTHER OFFICERS

37 1 Directors of the Company, in addition to those Directors appointed pursuant to Article 28 1 and Article 28 2, may be appointed by the Board for such terms, at such remuneration and upon such conditions as the Board may think fit; and any Director so appointed may be removed

by the Board from time to time and at any time. The votes, if any, to be exercised by any Director so appointed, and any restrictions thereon, shall be agreed by the Board at the time of his appointment, and may be removed or amended by the Board from time to time

37 2 The Board may from time to time appoint any person to an office of the Company not expressly provided for by these Articles upon such terms, including as to term of office, remuneration and conditions as the Board may think fit. Any such office may bear such title (not being a title already provided for by these Articles) as the Board may think fit; whilst such title may include the word “director”, no holder of such an office shall, nor shall any Director appointed pursuant to Article 37 1, by virtue thereof be entitled to any of the rights and privileges of a Director

38. SECRETARY

38 1 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board from time to time and at any time

38 2 A provision of the Companies Acts or 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

PART 10 : DIVIDENDS, RESERVES AND CAPITALISATION OF PROFITS

39. DIVIDENDS AND OTHER PAYMENTS

39 1 The Company in general meeting may from time to time declare dividends to be paid to the Shareholders according to their rights and interests in the profits, but no dividend shall be declared in excess of the amount recommended by the Board.

39 2 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide

(a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share, and

(b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

39.3 The Board may from time to time pay to the Shareholders such interim dividends as appear to the Board to be justified by the profits of the Company, the Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment. A resolution of the Board declaring any interim dividend shall (once announced) be irrevocable and have the same effect in all respects as if such dividend had been declared upon the recommendation of the Board by an ordinary resolution of the Company

39.4 The Board may deduct from any dividend payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company

39.5 No dividend or other moneys payable on or in respect of any share shall bear interest against the Company

39.6 Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

39.7 Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on, or in respect of, a share into a separate account shall not constitute the Company a trustee in respect thereof

39.8 Any general meeting declaring a dividend may by ordinary resolution, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debenture of any other

company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

40. RESERVES

40 1 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to distribute.

41. CAPITALISATION OF PROFITS

41 1 (1) The Company in general meeting may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund and accordingly that such amount be set free for distribution among the Shareholders or any class of Shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid among such Shareholders, or partly in one way and partly in the other, and the Board shall give effect to such resolution; provided that, for the purposes of this Article, a share premium account and a capital redemption reserve fund may only be applied in the paying up of unissued shares to be issued to such Shareholders credited as fully paid.

(2) The Company in general meeting may on the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares

to be allotted as fully paid bonus shares to those Shareholders of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions) and the Board shall give effect to such resolution

41 2 Where any difficulty arises in regard to any distribution under the last preceding Article, the Board may settle the same as it thinks expedient and, in particular, may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders

PART II: MISCELLANEOUS

42. RECORD DATES

42 1 Notwithstanding any other provision of these Articles, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made

43. ACCOUNTS

43 1 The Board shall cause proper accounting records to be kept in accordance with the Companies Acts

43 2 The books of account shall be kept at the Registered Office of the Company or, subject to the Companies Acts, at such other place or places as the Board may think fit and shall at all times be open to inspection by the Directors and Officers of the Company.

43 3 The Directors shall from time to time in accordance with the Companies Acts cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) reports and notes as are referred to in the Companies Act.

43.4 A copy of every balance sheet and profit and loss account, including every document

required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

44. AUDIT

44.1 Auditors shall be appointed and their duties regulated in accordance with the Companies Acts

45. THE SEAL

45.1 The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall (subject as otherwise provided in these Articles) be signed by one or more Directors and the Secretary or by two or more Directors

46. SERVICE OF NOTICES AND OTHER DOCUMENTS

46.1 Any notice or other document (including a share certificate) may be served on or delivered to any Shareholder or Director by the Company either personally, through Electronic Communication or by sending it through the post in a prepaid letter addressed to such Shareholder or Director at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid. All notices or other documents served on or delivered to joint holders shall, unless such holders otherwise in writing direct, be served on or delivered to that one of the joint holders whose name stands first in the Register and such service or delivery shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. "Address" in relation to Electronic Communications, includes any number or address used for the purposes of such communications

46.2 Every Shareholder or Director shall be entitled to receive any notice from the Company at his address as advised to the Secretary from time to time, or failing which at his address as described in the Register

46.3 Any such notice or other document, if sent by post, shall be deemed to have been served or delivered on the second day next after that on which the envelope containing the same is put in the post if sent by first-class mail and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed stamped and put in the post. A notice or document given or served by exhibition or advertisement or on the Company's website or any

internet site shall be deemed to be given or served on the day on which the same is first exhibited or advertised provided that prior notice in writing or by Electronic Communication has been given to Shareholders that the notice or document will be so exhibited or advertised or put on the Company's website or any internet site

46 4 Any notice or other document delivered or sent by post to or left at the registered address of any Shareholder or Director in pursuance of these Articles shall, notwithstanding that such Shareholder or Director is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder or Director as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share or office, 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

46 5 The signature to any notice required to be given by the Company may be written or printed or electronic

47. DESTRUCTION OF DOCUMENTS

47 1 The Company may destroy

- (a) all instruments of transfer of shares which have been registered at any time after the expiration of six years from the date of registration,
- (b) all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one year from the date of such cancellation or cessation, and
- (c) all notifications of change of name or address after the expiration of one year from the date they were recorded. It shall conclusively be presumed in favour of the Company that every entry in the Register which purports to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every share certificate so destroyed was a valid 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

- (1) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (2) references to an instrument of transfer shall be deemed to include reference to any document constituting the renunciation of an allotment of any shares in the Company by the allottee in favour of some other person,
- (3) nothing contained in this Article 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 case where the conditions of proviso (1) above are not fulfilled, and
- (4) references in this Article to the destruction of any document include references to its disposal in any manner

48. WINDING UP

48.1 If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributors as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

49. INDEMNITY

49.1 Subject to the provisions of the Companies Acts but without prejudice to any indemnity to which a Director may otherwise be entitled, the Company shall indemnify any Director or other officer (excluding an auditor) of the Company out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

The Governor and Company of the Bank of England
Threadneedle Street
London EC2

By **RIL Allen**

Midland Bank plc
Poultry
London EC2

By **P Walton**

Girobank plc
10 Milk Street
London EC2

By **SS Housley**

DATED the 4th day of October 1985

Witness to the above signatures

Peter Rowe
10 Lombard Street
London EC3V 9AP

