

2798901

THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION OF
POOL REINSURANCE COMPANY LIMITED

TUESDAY



A59 *A9YVWQXY* 03/07/2007 714
COMPANIES HOUSE

- 1 The name of the company (hereinafter called "the Company") is Pool Reinsurance Company Limited
- 2 The registered office of the Company will be situated in England and Wales
- 3 The objects for which the Company is established are -
 - (a) To engage in and carry on all or any of the classes of general insurance business which are from time to time specified in Part I of the First Schedule to the FSMA (Regulated Activities Order) 2001 (including any statutory modification or re-enactment thereof for the time being in force), and to accept and cede reinsurances in respect of such business
 - (b) To carry on business as a general commercial company.
 - (c) To carry on any other business or activity which may seem to the Company capable of being carried on directly or indirectly for the benefit of the Company
 - (d) To borrow money, obtain credit and raise finance in any manner
 - (e) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments
 - (f) To lend money and give credit to any person
 - (g) To invest and deal with the money and assets of the Company in such manner as may be thought expedient
 - (h) To secure by mortgage, charge, lien or other form of security on the whole or any part of the Company's property or assets (whether present or future) the performance or discharge by the Company or any other person of any obligation or liability
 - (i) To provide any guarantee or indemnity in respect of the performance or discharge of any obligation or liability by, or otherwise for the benefit of, any person
 - (j) To acquire by any means any real or personal property or rights whatsoever and to use, exploit and develop the same
 - (k) To acquire by any means the whole or any part of the assets, and to undertake the whole or any part of the liabilities, of any person carrying on or proposing to carry on any business or activity which the Company is authorised to carry on or which can be carried on in connection therewith, and to acquire an interest in, amalgamate with or enter into any arrangement for sharing profits, or for co-operation, or for limiting

competition, or for mutual assistance with, any such person and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, whether fully or partly paid up, debentures, or other securities or rights that may be agreed upon

- (l) To carry on business as a holding company and to subscribe for, underwrite, purchase or otherwise acquire, and to hold, and deal with, any shares, stocks, debentures, bonds, notes and other securities, obligations and other investments of any nature whatsoever and any options or rights in respect of them
- (m) To apply for, promote and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state, department or other authority (international, national, local, municipal or otherwise) for enabling the Company to carry any of its objects into effect or for extending any of the Company's powers or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any actions, steps, proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or its members
- (n) To enter into any arrangements with any government, state, department or other authority (international, national, local, municipal or otherwise), or any other person, that may seem conducive to the Company's objects or any of them, and to obtain from any such government, state, department, authority, or person, and to carry out, exercise and exploit, any charter, contract, decree, right, privilege or concession which the Company may think desirable.
- (o) To do all or any of the following, namely -
 - (1) to establish, provide, carry on, maintain, manage, support, purchase and contribute (in cash or in kind) to any pension, superannuation, retirement, redundancy, injury, death benefit or insurance funds, trusts, schemes or policies for the benefit of, and to give or procure the giving of pensions, annuities, allowances, gratuities, donations, emoluments, benefits of any description (whether in kind or otherwise), incentives, bonuses, assistance (whether financial or otherwise) and accommodation in such manner and on such terms as the Company thinks fit to, and to make payments for or towards the insurance of -
 - (a) any individuals who are or were at any time in the employment of, or directors or officers of (or held comparable or equivalent office in), or acted as consultants or advisers to or agents for -
 - (i) the Company or any company which is or was a subsidiary undertaking of the Company, or
 - (ii) any person to whose business the Company or any subsidiary undertaking of the Company as, in whole or in part, a successor directly or indirectly, or
 - (iii) any person otherwise allied to or associated with the Company;

- (b) any other individuals whose service has been of benefit to the Company or who the Company considers have a moral claim on the Company, and
 - (c) the spouses, widows, widowers, families and dependants of any such individuals as aforesaid; and
- (2) to establish, provide, carry on, maintain, manage, support and provide financial or other assistance to welfare, sports and social facilities, associations, clubs, funds and institutions which the Company considers likely to benefit or further the interests of any of the aforementioned individuals, spouses, widows, widowers, families and dependants
- (p) To subscribe or contribute (in cash or in kind) to, and to promote or sponsor, any charitable, benevolent or useful object of a public character or any object which the Company considers may directly or indirectly further the interests of the Company, its employees or its members
 - (q) To procure the Company to be registered or recognised in any part of the world
 - (r) To promote any other company or entity for the purpose of acquiring all or any of the property or undertaking any of the liabilities of the Company, or both, or of undertaking any business or activity which may appear likely to assist or benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares, debentures or other securities of any such company or entity as aforesaid
 - (s) To dispose by any means of the whole or any part of the assets of the Company or of any interest therein
 - (t) To distribute among the members of the Company in kind any assets of the Company
 - (u) To pay all expenses, preliminary or incidental to the formation of the Company and its registration.
 - (v) To do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
 - (w) To do all such other lawful things as may be deemed, or as the Company considers, incidental or conducive to the attainment of the above objects or any of them

AND IT IS HEREBY DECLARED that in this clause -

- (A) unless the context otherwise requires, words in the singular include the plural and vice versa,
- (B) unless the context otherwise requires, a reference to a person includes a reference to a body corporate (including, without prejudice to the generality of that term, any company which is a subsidiary undertaking of the Company or is associated in any way with the Company) and to an unincorporated body of persons;

- (C) a reference to any property, right or asset includes a reference to any interest in it, and a reference to any liability includes a reference to any loss,
- (D) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible,
- (E) a reference to anything which the Company thinks fit or desirable or considers or which may seem (whether to the Company or at large) expedient, conducive, calculated or capable, or to any similar expression connoting opinion or perception, includes, in relation to any power exercisable by or matter within the responsibility of the directors of the Company, a reference to any such thing which the directors so think or consider or which may so seem to the directors or which is in the opinion or perception of the directors,
- (F) the expression "subsidiary undertaking" has the same meaning as in Section 258 of and in Schedule 10A to the Companies Act 1985 or any statutory modification or re-enactment of it,
- (G) nothing in any of the foregoing paragraphs of this clause is to be taken (unless otherwise expressly stated) as requiring or permitting the Company to exercise any power only for the benefit of the Company or only in furtherance of any of its objects,
- (H) the objects specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph

4. The liability of the members is limited

5 Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves

We, the subscribers to this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum

Names, Addresses and Descriptions of Subscribers

KEITH EDWARD LONEY
51 GRESHAM STREET
LONDON
EC2V 7HQ

TRADE ASSOCIATION EXECUTIVE

NICHOLAS PHILIP GILES
21 LINCOLN'S INN FIELD
LONDON
WC2A 3DU

SOLICITOR

Dated the 8th March 1993

WITNESS to the above signatures

MARTIN BROOKS
CLASSIC HOUSE
174-180 OLD STREET
LONDON
EC1V 9BP

LEGAL ASSISTANT

ARTICLES OF ASSOCIATION

(as amended on 29 June 2007)

of

**POOL REINSURANCE COMPANY
LIMITED**

INCORPORATED ON 8TH DAY OF MARCH 1993

Company number 2798901

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE
SPECIAL RESOLUTIONS
OF
POOL REINSURANCE COMPANY LIMITED

Passed on the 29th day of June 2007

At the Annual General Meeting of the members of Pool Reinsurance Company Limited duly convened on the 29th day of June 2007 at the Hospitality Suite, London Underwriting Centre, 3 Minster Court, Mincing Lane, London EC3R 7DD the following resolutions were duly passed as Special Resolutions

- 1 THAT the Articles of Association of the Company be amended as follows:
 - (a) By inserting the following new Article 27A

“27A If a poll demanded at a general meeting is taken on a date before the number of votes which each member is entitled to cast can be calculated in accordance with Article 27, the number of votes of each member shall be calculated by reference to the premium for reinsurance business placed with the Company by that member (or in the case of a member of the type described in Article 5(b), by the syndicate he represents) in the last calendar year for which such premium information can be calculated, and otherwise in accordance with Article 27”, and
 - (b) By inserting "and Article 27A" in the last sentence of Article 27 immediately before the words " . a certificate "
- 2 THAT the Articles of Association of the Company be amended as follows
 - (a) By inserting the following new sub-paragraph (g) at the end of Article 70(1)

“(g) the resolution relates to the director's indemnification by the Company in relation to the performance of his duties on behalf of the Company

or any of its subsidiaries, including any loan made in connection with it.”

- (b) By deleting Article 87 and replacing it with the following new Article

“87 Except to the extent prohibited or restricted by the Act, but without prejudice to any indemnity to which a director or other officer may otherwise be entitled, every director or other officer (excluding an auditor) of the Company may be indemnified out of the assets of the Company against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office ”

**THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION
OF
POOL REINSURANCE COMPANY LIMITED**

(as amended on 29 June 2007)

INTERPRETATION

1 (1) In these Articles:-

"the Act" means subject to paragraph (3) of this Article the Companies Acts 1985 to 1989,

"Articles" means the Articles of Association of the Company as amended from time to time,

"calendar year" means 1st January to 31st December inclusive;

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

"directors" means the directors from time to time of the Company,

"executed" means any mode of execution,

"general insurance business" means any insurance business which is from time to time specified in Part I of the First Schedule to the Financial Services and Markets Act 2000 (Regulated Activities Order) 2001,

"member" means a member of the Company as defined by the Articles;

"Memorandum" means the Memorandum of Association of the Company as amended from time to time,

"office" means the registered office of the Company,

"the seal" means the common seal (if any) of the Company,

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

(2) Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act

- (3) Except as otherwise provided, a reference in these Articles to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it for the time being in force
- (4) In these Articles, unless the context otherwise requires -
 - (a) words in the singular include the plural, and vice versa,
 - (b) words importing any gender include all genders, and
 - (c) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons
- (5) In the Articles -
 - (a) references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form,
 - (b) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible;
 - (c) references to a power are to a power of any kind, whether administrative, discretionary or otherwise, and
 - (d) references to a committee of directors are to a committee established in accordance with the Articles, whether or not comprised wholly of, or including any, directors
- (6) The headings are inserted for convenience only and do not affect the construction of the Articles

2. The Companies (Tables A to F) Regulations 1985 and any regulations replacing or amending the same shall not apply to the Company.

PURPOSES

3 The Company is established for the purposes expressed in the Memorandum

MEMBERS

4 The subscribers to the Memorandum and such other persons as are admitted to membership in accordance with the Articles shall be members of the Company. No person shall be admitted a member of the Company unless he is approved by the directors. Every person who wishes to become a member shall deliver to the Company an application for membership in such form and on such terms and subject to such conditions as the directors require executed by him or on his behalf, which shall govern his entitlement to membership of the Company (including the circumstances in which membership shall cease)

5 No corporation, firm, body or person shall be admitted to membership unless he is either -

- (a) a corporation authorised by the state in which it is resident (or primarily resident in the case of a company resident in more than one state) to carry on general insurance business and which insures risks situated in Great Britain, or

(b) the active underwriter for the time being, or when there is no active underwriter, the run-off manager for the time being, of a Lloyds syndicate which writes general insurance business in Great Britain as part of its business (or has written such business at a time when the active underwriter of that syndicate was a member)

6 The several groups of underwriting members of Lloyd's to which in successive years a particular syndicate number is assigned by or under the authority of the Council of Lloyd's shall be treated for the purposes of the Articles as the same syndicate notwithstanding that they may not comprise the same underwriting members with the same individual participations. In the event that the Company shall receive notice of the death, removal or retirement from office as active underwriter or run-off manager (as the case may be) of a syndicate of a person who is a member of the type described in Article 5(b), such member shall thereupon cease to be entitled to membership and the directors may admit to membership his successor as active underwriter or run-off manager (as the case may be) of that syndicate or, if there is no such successor, such other person as may be nominated as active underwriter or run-off manager of that syndicate by the managing agent of the syndicate or by the Council of Lloyd's, so as to ensure continuity of membership with respect to that syndicate. The directors shall be entitled to rely upon any document submitted to them evidencing the admissibility or entitlement to membership of the Company of a person under Articles 5 or 6

7 A corporation being a member may nominate a person to act as its representative in the manner provided in Section 375 of the Act. Such representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend meetings of the Company and vote thereat, and generally exercise all rights of membership on behalf of the corporation. Any reference in the Articles to a member being present in person shall include a representative of a corporation. A corporation may from time to time revoke the nomination of such representative, and nominate another representative in his place.

GENERAL MEETINGS

8 The Company shall hold a general meeting in every calendar year as its annual general meeting at such time and place as shall be determined by the directors, and shall specify the meeting as such in the notices calling it, provided that every annual general meeting except the first shall be held not more than fifteen months after the holding of the last preceding annual general meeting and that so long as the Company holds its first annual general meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.

9 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than twenty-eight days after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or, if there is no director in the United Kingdom any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

10. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called

by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed -

(a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and

(b) in the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all the members

The notice shall specify the day, time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. Subject to the provisions of the Articles notice shall be given to all the members and to the directors and auditors of the Company

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

PROCEEDINGS AT GENERAL MEETINGS

12 No business shall be transacted at any meeting unless a quorum is present. Seven persons entitled so to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation who is a member, shall be a quorum.

13 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such day, time and place as the directors may determine. If at the adjourned meeting a quorum is not present within fifteen minutes after the time appointed for holding the meeting, the meeting shall be dissolved.

14 The chairman (if any) of the board of directors or in his absence the deputy chairman (if any) or in the absence of both of them some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor the deputy chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

15 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

16 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.

17 Without prejudice to any other power of adjournment he may have under the Articles or at common law, the chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than

business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the day, time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

18 If an amendment proposed to any resolution under consideration is ruled out of order by the chairman, the proceedings on the resolution shall not be invalidated by an error in the ruling

19. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-

- (a) by the chairman, or
- (b) by at least two members having the right to vote as the meeting, or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right so vote as the meeting

and a demand by a person as proxy for a member shall be the same as a demand by the member

20. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

21 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made

22. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

23 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

24. 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 either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. 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 was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

25 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at

least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken

26 Subject to the provisions of the Act, a resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members

VOTES OF MEMBERS

27. On a show of hands each member present in person shall have one vote Subject to the provisions of Articles 28, 29 and 30 on a poll each member present in person or by proxy shall have one vote for each £100,000 of premium or part thereof for reinsurance business placed with the Company by him (or, in the case of a member of the type described in Article 5(b), by the syndicate he represents) in the calendar year prior to the poll. For the purposes of this Article and Article 27A a certificate signed by the secretary stating the number of votes to which a member is entitled shall be final and binding

27A If a poll demanded at a general meeting is taken on a date before the number of votes which each member is entitled to cast can be calculated in accordance with Article 27, the number of votes of each member shall be calculated by reference to the premium for reinsurance business placed with the Company by that member (or in the case of a member of the type described in Article 5(b), by the syndicate he represents) in the last calendar year for which such premium information can be calculated, and otherwise in accordance with Article 27

28 Until 1st January 1994, each member shall have one vote on a poll

29 Any member who becomes a member of the Company (other than pursuant to Article 6) on or after 1st January 1994 shall have one vote on a poll until the end of the calendar year in which he becomes a member and thereafter the provisions of Article 27 shall apply

30. No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive

31 On a poll votes may be given either personally or by proxy A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way A proxy need not be a member

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

33. The instrument appointing a proxy and any other authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may -

(a) be deposited at the 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 not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid

34 A vote given or a poll demanded by proxy or by the duly authorised representative of a corporate member shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll

35 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll (and for the purpose of the Articles a demand for a poll made by a person as proxy for a member or as the duly authorised representative of a corporate member shall be the same as a demand made by the member).

36 The directors may at the expense of the Company send instruments of proxy to the members by post or otherwise (with or without provision for their return prepaid) for use at any general meeting either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such an instrument or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting

NUMBER OF DIRECTORS

37. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not more than twelve and not less than three

ALTERNATE DIRECTORS

38 Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him

39 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and

vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services, as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom

40. An alternate director shall cease to be an alternate director if his appointor ceases to be a director, but if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment

41 Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.

42 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

POWERS OF DIRECTORS

43 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by a special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or the Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors

DELEGATION OF DIRECTORS' POWERS

44 The directors may delegate any of their powers to any committee consisting of one or more persons (who need not be directors). They may also delegate to any managing director or any director such of their powers as they consider desirable to be exercised by him. Any such delegation (which may include authority to delegate all or any of the powers delegated) may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. The power to delegate under this Article, being without limitation, includes power to delegate the determination of any fee, remuneration or other benefit which may be paid or provided to any director. Subject to any such conditions as aforesaid, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying. The proceedings and decisions of any such committee shall be fully reported to the directors at the next meeting of the board of directors following each meeting of the committee

45 The directors may, by power of attorney or otherwise, appoint any person whether nominated directly or indirectly by the directors, to be the attorney or agent of the Company for such purposes and on such conditions and for such period as they determine, including authority for the agent to delegate all or any of his powers. The directors may revoke or vary such appointment or delegation as they think fit

46. The Secretary of State for Trade and Industry shall be entitled to appoint one director and to remove any director so appointed and to appoint another director if his previous appointee is removed or ceases to be a director for any reason. Appointment or removal of a director shall take effect on written notice signed by the Secretary of State for Trade and Industry being delivered to the office or on such later date as may be specified in such notice. The provisions of Articles 47 to 54 inclusive shall not apply to any director nominated under this article but Article 56 shall apply. The Secretary of State for Trade and Industry may remove a director appointed by him for any reason.

APPOINTMENT AND RETIREMENT OF DIRECTORS

47. At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire.

48. Subject to the provisions of the Act and the provisions of the Articles, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

49. If the Company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.

50. No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless -

(a) he is recommended by the directors; or

(b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by five members qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.

51. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors.

52. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

53. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

54. Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed or deemed to have been reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

55. Without prejudice to the provisions of the Act, the Company may, by extraordinary resolution, remove a director before the expiration of his period of office (but such removal shall be without prejudice to any claim to damages for breach of any contract of service between the director and the Company) and, subject to the Articles, may, by ordinary resolution, appoint another person instead of him. A person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last appointed or reappointed a director.

56. The office of a director shall be vacated if:-

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director, or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- (c) he is, or may be, suffering from mental disorder and either -
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1913 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or
- (d) he resigns his office by notice to the Company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated, or
- (f) the FSA withdraws permission for the carrying out of the controlled function of director, non-executive director or chief executive, as appropriate, pursuant to sections 63, of FSMA, or
- (g) in the case of a director who holds an executive office, his appointment as such is terminated or expires and the directors resolve that his office be vacated, or

- (h) he is requested in writing by all the other directors to resign

57 No person shall be disqualified from being appointed or reappointed as a director and no director shall be requested to vacate that office by reason of his attaining the age of seventy or any other age, nor shall it be necessary by reason of his age to give special notice under the Act of any resolution appointing, reappointing or approving the appointment of a director.

REMUNERATION OF DIRECTORS

58 The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day

DIRECTORS' EXPENSES

59 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings of the Company or otherwise in connection with the discharge of their duties

DIRECTORS' APPOINTMENTS AND INTERESTS

60 Subject to the provisions of the Act, and the provisions of the Insurance Companies Act 1982, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any service outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company

61 (1) Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -

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

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

(c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate

and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

(2) For the purposes of this Article:-

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

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

DIRECTORS' GRATUITIES AND PENSIONS

62 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceased to hold such office or employment) contribute to any fund and pay Premiums for the purchase or provision of any such benefit

PROCEEDINGS OF DIRECTORS

63 Subject so the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote, and an alternate director who is appointed by two or more directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence

64 If a director notifies the Company in writing of an address in the United Kingdom at which notice of meetings of the directors is to be given to him when he is absent from the United Kingdom, he shall, if so absent, be entitled to have notice given to him at that address; but the Company shall not be obliged by virtue of this paragraph to give any director a longer period of notice than he would have been entitled to had he been present in the United Kingdom at that address.

65 The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be three. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

66 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

67 The directors may appoint one of their number to be the chairman of the board of directors and another to be the deputy chairman and may at any time remove such chairman or deputy chairman Unless he is unwilling to do so, the chairman shall preside at every meeting of directors at which he is present But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the deputy chairman shall preside failing whom the directors present may appoint one of their number to be chairman of the meeting

68 All acts done by a meeting of directors, or at a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote

69. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) of that committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity

70. (1) Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material unless his interest or duty arises only because the case falls within one or more of the following paragraphs -

(a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries,

(b) 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 subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security,

(c) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes,

(d) the resolution relates to the purchase or maintenance for any director of insurance against any liability,

(e) the resolution relates to an arrangement for the benefit of the employees of the Company or any of its subsidiaries, which does not accord to any director as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates,

(f) the resolution relates to a transaction or arrangement with any other company in which he is interested, directly or indirectly, provided that he is not the holder of or beneficially interested in one per cent or more of the

equity share capital of that company (or of any other company through which his interest is derived) and not entitled to exercise one per cent or more of the voting rights available to members of the relevant company (and for the purpose of calculating the said percentage there shall be disregarded any shares held by the director as a bare or custodian trustee and in which he has no beneficial interest, and any shares comprised in any authorised unit trust scheme in which the director is interested only as a unit holder)

(g) the resolution relates to the director's indemnification by the Company in relation to the performance of his duties on behalf of the Company or any of its subsidiaries, including any loan made in connection with it.

(2) For the purpose of this Article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when these Articles became binding on the Company), connected (within the meaning of Section 346 of the Act) 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 has otherwise

71 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote

72 The Company may by ordinary resolution suspend, relax or extend, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors

73. Where proposals are under consideration concerning the appointment of two or more directors to offices or employment with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment

74. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or if the director concerned is the chairman, to the other directors at the meeting) and his ruling in relation to any director other than himself (or, as the case may be, the ruling of the majority of the other directors present in relation to the chairman) shall be final and conclusive

SECRETARY

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

MINUTES

76 The directors shall cause minutes to be made in books kept for the purpose:-

(a) of all appointments of officers made by the directors, and

- (b) of all proceedings at meetings of the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting

THE SEAL

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

ACCOUNTS

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

79 A printed copy of the directors' and auditors' reports accompanied by printed copies of the balance sheet and every document required by the Act to be annexed to the balance sheet shall, not less than twenty-one clear days before the Annual General Meeting before which they are to be laid, be delivered or sent by post so every member of the Company, and to the auditors of the Company but this Article shall not require a copy of those documents to be sent so any member who is not entitled to receive notices of general meetings

NOTICES

80 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing

81. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.

82. A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

83. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice sent by post shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

84 Where by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notice sent by post, notice of the meeting shall be sufficiently given if given by advertisement in two leading national daily newspapers published in the United Kingdom. The Company shall send a copy of the notice to members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

85. Any notice to be given by the Company to the members or any of them, and not provided for by or pursuant to the Articles, shall be sufficiently given if given by advertisement in at least one leading national daily newspaper published in the United Kingdom

86 A notice given by advertisement shall be deemed to have been served on the day on which the advertisement appears

INDEMNITY

87. Except to the extent prohibited or restricted by the Act, but without prejudice to any indemnity to which a director or other officer may otherwise be entitled, every director or other officer (excluding an auditor) of the Company may be indemnified out of the assets of the Company against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office "

88 Subject to the provisions of the Act, the directors may purchase and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to be done or alleged to have been done or omitted so be done as a director, officer or auditor

DESTRUCTION OF DOCUMENTS

89 The Company may destroy any documents on the basis of which an entry in the register of members is made, after six years from the date on which it is made Any such document may be destroyed at an earlier date provided that a permanent record of the document is made which is not destroyed before the date first before mentioned

WINDING UP

90 If upon the winding up of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to or distributed among the members in proportion to their voting rights on a poll in the last calendar year prior to the date on which a resolution or order for winding up is made

Names, Addresses and Descriptions of Subscribers

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TRADE ASSOCIATION EXECUTIVE

NICHOLAS PHILIP GILES
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WC2A 3DLJ
SOLICITOR

Dated the 8th March 1993

WITNESS to the above signatures

MARTIN BROOKS
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LEGAL ASSISTANT