

Company No: 3116518

I hereby certify
this to be a true
copy of the original
#4A(ii)WR
8/11/05

The Companies Act 1985

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

HASTINGS INSURANCE SERVICES LIMITED

Passed on 3rd November 2005

We, the undersigned, being all the members of the Hastings Insurance Services Limited (the "Company") who (at the date of these resolutions) would be regarded for the purpose of section 381A of the Companies Act 1985 as entitled to attend and vote at any general meeting of the Company (the "Members") unanimously agree pursuant to section 381 of the Companies Act 1985 that the following resolutions be passed as written resolutions of the Company having effect as special resolutions:

SPECIAL RESOLUTIONS

1. Adoption of New Articles of Association

THAT the Company's Articles of Association contained in the printed document produced to the Meeting be approved and adopted without amendment as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.



Authorisation of Financial Assistance



2.1 **THAT** notwithstanding any existing provisions of the Memorandum or Articles of Association of the Company, the Company's execution and delivery of each of the documents minuted below as referred to in a Statutory Declaration made by the directors of the Company (which events would constitute the giving of financial assistance by the Company (as defined in section 151 of the Companies Act 1985)) be and hereby are approved:

- (a) the term loan agreement to be made between (1) Barclays Bank PLC (as lender), (2) Logan Consultants Limited ("**Logan**") (as borrower) and (3) the Company and Logan (as guarantors) ("**TLA**");
 - (b) the receivables financing agreement to be made between (1) Barclays Bank PLC and (2) the Company ("**RFA**");
 - (c) the debenture to be made between (1) the Company and (2) Barclays Bank PLC ("**Debenture**");
 - (d) the guarantee and indemnity to be made between (1) the Company and (2) Barclays Bank PLC ("**Guarantee**");
 - (e) the intra group loan agreement to be made between (1) the Company and (2) Logan ("**Intra Group Loan**"); and
 - (f) the deed of assignment to be made between (1) Empire Equity Limited and (2) the Company (the "**Deed of Assignment**").
- (together the "**Documents**")

The original Statutory Declaration and its annexed auditors' report required by section 156(4) of the Companies Act 1985 have been made available to each of the Members.

2.2 **THAT** notwithstanding any personal interest, the board of directors of the Company be and is hereby specifically authorised, empowered and directed in the name of and on behalf of the Company to:

- (a) execute and deliver each of the Documents in the form produced to the meeting or with such amendments as they shall in their discretion approve; and

- (b) enter into such documentation and to take such action as may be required in order to carry out the matters referred to above.

2.3 **THAT** the Documents referred to in paragraph 2.1 above and any act done or document executed pursuant to any of the forgoing paragraphs of this written resolution shall be valid, effective and binding upon the Company notwithstanding any limitation on the borrowing or other powers of the Company's Articles of Association (any such limitation being hereby suspended, waived, relaxed, or abrogated to the extent requisite to give effect to the forgoing resolutions).

3. Report and Accounts

THAT the Directors Report and Statutory Accounts of the Company for the year ended 31st December 2004 and approved at the board meeting of the Company of even date signed on behalf of the Company and initialled by the Chairman for the purposes of identification be received and approved.

For and on behalf of Logan Consultants Limited



A Wickramasinghe



Lesley A. Nuttall

Cheam Directors Limited

A copy of this resolution was provided to the auditors at the same time as the Members.


Dated:

7th November 2005

Registered Office:

Conquest House, Collington Avenue, Bexhill-On-Sea, East Sussex,
TN39 3LW

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

I hereby certify
this to be a true copy of
the original

8/11/05

#2D

No. 3116518

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

HASTINGS INSURANCE SERVICES LIMITED

(Adopted by Special Resolution passed on

~~26th October 2005~~
3rd November

1. PRELIMINARY

1.1 Definitions

In these Articles:

"Act" means, subject to paragraph 1.3 of this Article, the Companies Act 1985;

"A Ordinary Share" means an 'A' Ordinary Share of £1 in the capital of the Company;

"A Ordinary Shareholder" means a holder of an A Ordinary Share;

"Articles" means these articles of association, as from time to time altered;

"Associate" means any company 20 per cent or more of the equity share capital of which is beneficially owned from time to time by the Company and/or its subsidiaries (whether individually or in aggregate);

"Auditors" means the auditors of the Company from time to time;

"Banking Day" means a day (excluding Saturdays) on which banks are open for business in the City of London;

"Board" means the board of Directors of the Company as from time to time constituted;

"B Ordinary Share" means a 'B' Ordinary Share of £1 in the capital of the Company;

"B Ordinary Shareholder" means a holder of a B Ordinary Share;

"Business" means the accepting of risks, effecting of reinsurance and handling of claims with regard to direct dealing in insurance and other ancillary business;

"C Ordinary Share" means a 'C' Ordinary Share of £1 in the capital of the Company;

"C Ordinary Shareholder" means a holder of a C Ordinary Share;

"Group" means, except as stated in Article 11, the Company and its subsidiaries from time to time;

"Holding Company" means a holding company as defined in section 736 and section 736A of the Act;

"Member of the Same Group" means, in relation to any company, a company that is for the time being the ultimate holding company of such company or a subsidiary of any such holding company;

"Ordinary Shares" means A Ordinary Shares, B Ordinary Shares and/or C Ordinary Shares as the case may be;

"Ordinary Shareholder" means a holder of Ordinary Shares;

"Prescribed Price" has the meaning given in Article 12.7;

"Secretary" means the Company secretary for the time being;

"Secured Lender" means any bank, financial institution or nominee thereof for the time being that holds a Security Interest;

"Security Interest" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, trust arrangement for the purposes of providing security, assignment by way of security, trading or other equitable right, or any other security interest of any kind or preferring any obligation of any person or any other guarantee, indemnity, warranty, agreement or arrangement having the effect of conferring security;

"Subsidiary" means a subsidiary as defined in section 736 and section 736A of the Act;

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985; and

"Transfer Notice" has the meaning given in Article 12.1

1.2 Same meaning as in the Act

Save as provided in Article 1.1 and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act.

1.3 Statutory Modification

In these Articles, unless expressly provided to the contrary, a reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it and to any subordinate legislation made under it in each case for the time being in force.

1.4 Number, gender and person

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 company and to an unincorporated body of persons.

1.5 Miscellaneous interpretation

In these 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 "executed" includes any mode of execution;
- (C) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible;
- (D) references to a power are to a power of any kind, whether administrative, discretionary or otherwise;
- (E) references to a committee of the Directors are to a committee established in accordance with these Articles, whether or not comprised wholly of Directors; and
- (F) reference to "designation" in the context of Ordinary Shareholders or Directors are to A, B or C Ordinary Shareholders or Directors as appropriate.

1.6 Headings

Headings are inserted for convenience only and do not affect the construction of these Articles

1.7 Articles and Regulations

In these Articles a reference to an Article is to a clause of these Articles and a reference to a Regulation is to a regulation in Table A.

2. TABLE A

The Regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 40, 50, 54, 64 to 69 (inclusive), 72, 73 to 18 (inclusive), 84, 88, 89, 93, 94, 95 and 118 in Table A shall not apply to the Company.

3. SHARE CAPITAL

The share capital of the Company on the date of adoption of these Articles is £5,000 divided into 3,750 A Ordinary Shares and 625 B Ordinary Shares and 625 C Ordinary Shares.

4. CLASSES OF SHARES

The shares of each class of shares shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictions and provisions hereinafter appearing. The A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall, except where otherwise expressly provided herein, confer upon the holders thereof the same rights.

5. RIGHTS ATTACHING TO ORDINARY SHARES

The rights attaching to Ordinary Shares are as follows:

(A) Capital

On return of assets on liquidation or otherwise, the assets of the Company available for distribution among the members shall be applied first in paying to the holders of the Ordinary Shares a sum equal to the nominal amount of each Ordinary Share held by them and secondly the balance of such assets (if any) shall be distributed amongst the holders of the Ordinary Shares pro rata (as nearly as may be) according to the nominal amounts paid up or credited as paid up on the Ordinary Shares held by them respectively.

(B) Income

Subject to the provisions of these Articles, any profits of the Company available for distribution and resolved to be distributed shall be distributed equally amongst the holders of the Ordinary Shares pro rata (as nearly as may be) according to the number of Ordinary Shares held by the members respectively.

6. CLASS RIGHTS

6.1 Without prejudice to any other provision of these Articles the Company shall not effect any of the following actions unless any Secured Lender who has a Security Interest against the assets of the Company shall consent:

- (A) any alteration to the Memorandum or Articles of Association of the Company where such amendments shall be contrary to or inconsistent with any Security Interest of any Secured Lender;
- (B) any consolidation or re-denomination of any shares of the Company into larger nominal amounts or any sub-division of the share capital of the Company into smaller nominal amounts;
- (C) any alteration to any rights attaching to any class of shares of the Company which affects the rights of any Secured Lender;
- (D) the issue of any shares or debentures in the Company or other securities convertible into shares or debentures of the Company (including by way of bonus, rights or otherwise) and/or the grant of any option or right to acquire or call for the issue of the same whether by conversion, subscription or otherwise;
- (E) the redemption or purchase by the Company of any share or the reduction of the share capital, or any uncalled or unpaid liability in respect thereof, capital redemption reserve or share premium account of the Company or the passing of any resolution authorising any of the foregoing;
- (F) the implementation of any compromise or arrangement within the meaning of section 425 of the Act or any scheme of composition with the Company's creditors;
- (G) the passing of any resolution to wind up the Company save to the extent that the same is effected on the advice of the Company's auditors or solicitors that the Company would otherwise be trading wrongfully or fraudulently;
- (H) the disposal of the whole or any substantial part of the Business;
- (I) any significant change in the nature of the Business or the cessation of the Business;

- (J) the paying up of any share capital or debenture or debenture stock of the Company by way of capitalisation or application of any profits or reserves (including share premium account and capital redemption reserve);
- (K) the giving of any guarantee or indemnity to secure the liabilities or obligations of any person other than that which would be given under Article 6.1(M);
- (L) the acquisition by the Company of any share capital or other securities of any body corporate (other than in or of any company which is already a wholly owned subsidiary) or the disposal by the Company of any share capital or security of any body corporate held by it or the creation of any subsidiary of the Company;
- (M) the borrowing by the Company (including amounts outstanding or borrowed under finance, hire purchase, operating, leasing, condition sale and other similar agreements) of amounts which when aggregated with all other borrowings (or indebtedness in the nature of borrowings) of the Company and all subsidiaries would exceed £500,000; or
- (N) the creation of any fixed or floating charge lien (other than a lien arising by operation of law) or other security or encumbrance over the whole or any part of the assets or property of the Company or any subsidiary except for the purpose of securing borrowings from bankers in the ordinary and proper course of business or for securing borrowings otherwise permitted by Article 6.1(M);

6.2 Without prejudice to any other provision of these Articles the Company shall not effect any of the following actions unless the holders of not less than 75% in nominal amount of the Ordinary Shares in issue shall have given their prior consent in writing:

- (A) any change in the terms and conditions of the remuneration or other benefits of any kind of Director;
- (B) the adoption of any bonus or profit sharing scheme, employee benefit trust, conditional bonus scheme or any share option or incentive scheme or employee share trust or share ownership plan which the Company may from time to time adopt; or
- (C) the acquisition by the Company or any subsidiary of any real property;

7. ISSUE OF SHARES

7.1 Disapplication of statutory pre-emption provisions

So long as any Secured Lender has any Security Interest Sections 89 and 90 of the Act shall not apply to the Company.

7.2 No renunciation of allotment

Subject to Article 7.1 above, if any Ordinary Shares are issued and allotted those Ordinary Shares so allotted may not be renounced in favour of, or assigned to a third party who is not already a member of the Company.

7.3 Other

Notwithstanding anything otherwise provided in these Articles (whether by way of or in relation to pre-emption rights, restrictions on, or conditions applicable to, share transfers, or otherwise), the Directors shall not decline to register any transfer of shares nor suspend registration thereof:

7.3.1 where such transfer is in favour of a Secured Lender and the transfer is as contemplated by, or pursuant to, any mortgage or charge of shares or any call or other share option granted in favour of the relevant bank, lender or financial institution; or

7.3.2 where such transfer is by or on behalf of a Secured Lender (whether by a receiver, any delegate or sub-delegate of the party to whom such security has been granted or otherwise) in favour of any third party upon disposal or realisation of shares following the Secured Lender having become entitled to exercise or enforce its rights under any such mortgage, charge and/or call or other option

and a certificate by any officer of the bank that the relevant transfer is within paragraph (a) or (b) above shall be conclusive evidence of that fact.

8 LIEN AND FORFEITURE

8.1 Lien to attach to all shares

In Regulation 8 of Table A the words "(not being a fully paid share)" shall be omitted. The lien conferred by Regulation 8 of Table A shall attach to all shares registered in the name of any person indebted or under liability to the Company (or in the name of the nominee or bare trustee for any such person) whether he is the sole registered holder thereof or one of two or more joint holders and shall include a lien in respect of any such indebtedness or liability. Regulation 8 shall be modified accordingly.

8.2 Pre-emption on enforcement

Subject to the rights of any Secured Lender, all shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 7 as if they were unissued shares of the Company. Regulations 9 and 20 of Table A shall be modified accordingly.

9 GENERAL PROVISIONS CONCERNING TRANSFERS OF SHARES

9.1 General restriction on transfer

The right to transfer Ordinary Shares shall be subject to the rights and restrictions set out in the Articles and no Ordinary Share nor any interest therein shall be transferred to or become vested in any person or entity otherwise than in accordance with the Articles or in the event a Security Interest granted by the Company becomes enforceable whereby any Secured Lender is entitled to the registration or transfer rights in relation to the Ordinary Shares.

9.2 Disposal of whole interest only

Save as permitted pursuant to these Articles no transfer, disposal, charge, mortgage, assignment or other dealing in any Ordinary Shares or any interest or right therein shall occur other than the transfer of the whole legal and equitable title to such Ordinary Shares free from all liens, charges and encumbrances and with all rights, title and interest in existence at the date of transfer together with all rights which may arise in respect thereof thereafter (and "transfer", in the context of a transfer of Ordinary Shares, shall be construed accordingly in these Articles).

10. PERMITTED TRANSFERS

10.1 Subject to Articles 7.3 and 9.1, the Directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the Directors may request the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Directors within a period of 28 days after such request the Directors shall be entitled to refuse to register the transfer in question.

10.2 The following transfers shall be deemed to be "*Permitted Transfers*" and the Directors may not refuse to register a transfer if such transfer is:

- (a) by any member to any category of persons set out in Article 10.3; or
- (b) any transfer made pursuant to Article 9.1 to a Secured Lender.

10.3 Without limiting the generality of the foregoing, for the purpose of these Articles:

- (a) "*Privileged Relation*" in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children;

- (b) **"Trust"** in relation to any member means a trust or settlement which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and/or a Privileged Relation of that member and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any other than the trustees or such member or his Privileged Relations;
 - (c) **"Settlor"** means the person who has settled the Trust and includes a testator or an intestate in relation to a Trust arising respectively under a testamentary disposition or an intestacy of a deceased member.
 - (d) **"Trustee"** means any trustee appointed by the Settlor or protector of the Trust for the time being which represents a member.
- 10.4 Subject to Articles 9.1 and 7.3 a holder of Ordinary Shares may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation or to Trustees to be held upon a Trust.

11. SECRETARY

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

12. CLASS MEETINGS AND VARIATION OF RIGHTS

12.1 Class meetings

Except as otherwise provided by these Articles, the provisions of these Articles relating to general meetings shall apply, with necessary modifications, to any meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of that class.

12.2 Variation of rights

All or any of the special rights or privileges for the time being attached to any share or class of shares in the capital of the Company (notwithstanding that the Company may be or be about to be in liquidation) may, either with the prior consent in writing of the holders of not less than 75% of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise), to be varied or abrogated. To every such separate meeting the provisions of these Articles with respect to notice of and proceedings at general meetings shall mutatis mutandis apply, but so that the requisite quorum shall be two persons, present in person, by proxy or by corporate representative, holding or representing not less than one-third of the issued shares of the class (and so that if at any meeting of such holders adjourned pursuant to Regulation 41 a quorum as above defined is not present those members who are present

shall be a quorum) and that any holder of the shares of the appropriate class, present in person, by proxy or by corporate representative and entitled to vote, may demand a poll.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and remains present during the transaction of business. One persons entitled 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, shall be a quorum. If at any adjourned meeting that has been so adjourned pursuant to Regulation 41 a quorum is not present within half an hour of the time appointed for the adjourned meeting the meeting will be dissolved. Regulation 41 will be construed accordingly.

14.2 Poll

A poll may be demanded at any general meeting by the chairman or any member present in person, by proxy or by corporate representative and entitled to vote. Regulation 46 of Table A shall be modified accordingly.

14.3 Signed Resolutions

A resolution executed or approved in writing by or on behalf of the holders of all the issued Ordinary Shares entitled to vote thereon shall be as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation the resolution may be signed on its behalf by a Director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

15 DIVIDENDS

15.1 Subject to the provisions of the Act, the Company may by special resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.

15.2 Subject to the provisions of the Act, the Directors may declare and pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the

profits available for distribution justify the payment. The Directors shall act in good faith that they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

- 15.3 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid upon the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 15.4 A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- 15.5 Any dividend or other monies payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other monies payable in respect of the share.
- 15.6 No dividend or other monies payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

16 DIRECTORS

Subject as hereinafter provided, the number of Directors shall not be less than three nor more than eight in number, provided that the Company may by special resolution vary the minimum and/or the maximum number of Directors. If there be no Director or Directors able or willing so to act then any two members may summon a general meeting for the purpose of appointing a Director or Directors.

17 APPOINTMENT OF DIRECTORS

17.1 Appointment

The 75% of the Ordinary Shareholders shall be entitled, to appoint or remove, the Directors as the case may be, in each case in accordance with the procedure set out in Article 17.2, and, in each case, to remove any Directors so appointed by them.

17.2 Procedure for appointment

Subject to Article 17.1 above, any appointment or removal pursuant to Article 17.1 shall be decided upon by the Ordinary Shareholders by either:

- (A) a written direction signed by the Ordinary Shareholders of the relevant class, in each case holding a majority in nominal value of the issued Ordinary Shares of the class concerned; or
- (B) by a special resolution passed at a separate meeting of the Ordinary Shareholders of the class concerned duly convened and held in accordance with the provisions of these Articles, provided that any such meeting may be convened by any holder of Ordinary Shares of the class concerned.

Any appointment or removal pursuant to Article 17.1 shall take effect upon delivery of the direction pursuant to Article 17.2 (A) or a written copy of the resolution passed pursuant to Article 17.2 (B) being delivered to the registered office of the Company, to a meeting of the Board or to the company secretary.

17.3 Directors holding office

A Director holding office pursuant to Article 17 shall continue to hold such office until he is either removed pursuant to this Article 17 or vacates office pursuant to Article 22.

17.4 No Rotation

The Directors shall not be liable to retire by rotation, and accordingly in Regulation 79 of Table A the second and third sentences thereof shall be deleted and in Regulation 78 the words "and may also determine the rotation in which any additional Directors are to retire" shall be deleted.

18 ACCOUNTS

All members shall have the right to inspect any accounting records or other books or documents of the Company subject to prior written reasonable notice to the Secretary.

19. ALTERNATE DIRECTORS

19.1 Appointment and removal

Any Director (other than an alternate Director) may from time to time appoint any other Director or any person approved by the Board (such approval not to be unreasonably withheld or delayed) to be an alternate Director of the Company, and may at any time

remove any alternate Director so appointed by him from office, and appoint another person approved as aforesaid in his place. Any appointment of an alternate Director may provide for two or more persons in the alternative to act as an alternate Director.

19.2 Notice of appointment or removal

Any such appointment or removal shall be by notice to the Company signed by the Director making or revoking the appointment and shall take effect upon service on the Company at its registered office or in any other manner approved by the Directors.

19.3 Notice of appointment or removal

Any such appointment or removal shall be by notice to the Company signed by the Director making or revoking the appointment and shall take effect upon service on the Company at its registered office or in any other manner approved by the Directors.

19.4 Cessation of appointment

An alternate Director shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director.

19.5 Functions of alternate Director

An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of Directors, to attend, to be counted in the quorum for and to vote as a Director (with the same designation as the Director appointing him) at any such meeting at which the Director appointing him is not personally present and generally to perform all functions of his appointer as a Director in the absence of such appointer including, without prejudice to the generality of the foregoing, power to sign any resolution pursuant to Article 26.3.

19.6 Voting rights cumulative

A Director acting as an alternate shall have an additional vote at meetings of the Board for each Director for whom he acts as alternate but he shall only count as one person for the purpose of determining whether a quorum is present.

19.7 Alternate Director responsible for own acts

An alternate Director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the Director so appointing him shall not be responsible for the acts and defaults of an alternate Director so appointed.

19.8 Remuneration

The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him and shall consist of such part (if any) of the last

mentioned remuneration as may be agreed between the alternate Director and the Director appointing him.

19.9 Power to act

Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

20. NO SHARE QUALIFICATION

Neither a Director nor an alternate Director shall require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company.

21. DIRECTORS INTERESTS

A Director (including an alternate Director) who has duly declared his interest therein to the Board pursuant to section 317 of the Act may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he so votes his vote shall be counted, and he shall be counted in the quorum when any such contract or arrangement is under consideration.

22. VACATION OF OFFICE

Without prejudice to the provisions of Article 19, the office of a Director shall be vacated:

- (A) if by notice in writing to the Company he resigns the office of Director;
- (B) if he shall for more than 6 consecutive months have been absent without permission of the Board from meeting of the Board held during that period, unless he shall have appointed an alternate Director who has not been similarly absent during such period;
- (C) if he is unable to pay a debt which is payable immediately or to have no reasonable prospect of paying a debt which is not immediately payable in either case within the meanings given to such expressions in section 268 of the Insolvency Act 1986;
- (D) if he is subject to an interim order under section 252 of the Insolvency Act 1986 or enters into a voluntary arrangement within the meaning given in section 253 of that Act;

- (E) if he is prohibited from being or is disqualified as a Director by an order made under any provision of the Insolvency Act 1986 or the Company Directors Disqualification Act 1986;
- (F) if 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 1983 or, in Scotland, an application for admission under the Mental Health Act (Scotland) Act;
 - (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
- (G) if he is removed from office under section 303 of the Act.

23. NO AGE LIMIT

Unless and until otherwise determined by the Company by ordinary resolution, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy, and any person proposed to be appointed a Director shall be capable of being appointed as a Director notwithstanding that he has attained the age of seventy, and no special notice need be given of any resolution for the appointment as a Director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be so appointed.

24 PROCEEDINGS OF DIRECTORS

24.1 Quorum

The quorum necessary for the transaction of the business of the Board shall be three, unless otherwise agreed from time to time by the Ordinary Shareholders and notified to the Company in writing. A person who holds office only as an alternate Director shall, if his appointer is not present, be counted in the quorum.

24.2 Regulation of meetings

Unless otherwise determined in respect of each specified meeting by a majority of the Board which majority includes sufficient member and (if appropriate) designation of Directors to constitute a quorum for the business to be transacted at such specified meeting meetings of the Board shall be held at least four times in each calendar year. Save where urgent business arises where such period of notice is not practicable, a minimum of seven days notice of meetings of the Board accompanied by the venue for such meeting and an agenda of the business to be transacted (together with where

practicable all papers to be circulated or presented to the same) shall be given to all the Directors. Subject as aforesaid, the Directors may adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes the Chairman of the board of Directors shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

24.3 Signed Resolutions

A resolution executed or approved in writing by all the Directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors. A resolution signed by an alternate Director does not need to be signed by his appointer 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.

24.4 Delegation to committees

The Directors may delegate any of their powers to a committee consisting of a least two Directors, of whom at any time after any B and/or C Directors have been appointed at least one shall be an A Director and at least one shall be a B Director or a C Director. No committee shall be entitled to transact any business that the Board would not be entitled to transact, and the provisions of these Articles with respect to the regulation of meetings of the Board shall apply, mutatis mutandis, to meetings of any committee.

24.5 Meetings by conference facilities

A meeting of the Board may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:

- (A) to hear each of the other participating Directors addressing the meetings;
and
- (B) if he so wishes, to address each of the other participating Directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article 24.5 is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of Directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. Any Director may, by prior notice to the secretary, indicate that he wishes to participate in the meeting in such manner, in which event, the Directors shall procure that an appropriate conference facility is arranged.

25. INDEMNITY

Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 727 of the Act in which relief is granted to him by the courts, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. The Company may purchase and maintain for any officers or the Auditors insurance against any liability which by virtue of any rule of law would otherwise attach to him or them in respect of any negligence, default, breach of duty or breach of trust of which he or they may be guilty of in relation to the Company.