

Registered No: 3427512

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RECORD

of a DECISION of

THE SOLE MEMBER

of

Challenger (Norwich) Limited (the "Company")

Dated: 3 August 2001

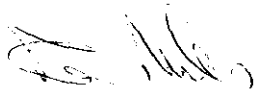
By written record of a decision of the Sole Member of Challenger (Norwich) Limited dated 3 August 2001, in accordance with Section 382B of the Companies Act 1985, the following resolutions were duly passed as special resolutions of the Company:-

THAT:-

1. "The Company adopt new Articles of Association in the form of the draft produced to the sole member."
2. "The Memorandum of Association of the Company be amended by the deletion of the present Clause 3 thereof and the substitution therefor of the following new Clause 3:-

"The object of the Company is to carry on business as an investment holding company."."

BY ORDER OF THE BOARD


Director, Dunwilco (908) Limited
Secretary



COMPANY NUMBER 3427512

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

CHALLENGER (NORWICH) LIMITED

Adopted by Special Resolution of the Company on 3 August 2001

PRELIMINARY

- 1.1 The Regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as that Schedule was in force on the date of adoption of these Articles (hereinafter called "Table A") shall apply to the Company save to the extent that they are excluded by or are inconsistent with any of these Articles.
- 1.2 Regulations 5, 8, 24, 26, 54, 64, 73 to 81 (inclusive), 89, 94 to 98 (inclusive) and 118 of Table A shall not apply to the Company.

INTERPRETATION

2. Regulation 1 of Table A shall apply to these Articles as it applies to the Regulations in Table A.

SHARE CAPITAL

- 3.1 The share capital of the Company at the date of the adoption of these articles is £183,500 divided into:
 - (i) 14,030,768 Virgin A ordinary shares of 0.1p each (**Virgin A ordinary shares**);

- (ii) 969,232 Virgin convertible shares of 0.1p each (**Virgin convertible shares**);
- (iii) 65,000,000 AMP A ordinary shares of 0.1p each (**AMP A ordinary shares**);
- (iv) 969,232 Executive convertible shares of 0.1p each (**Executive convertible shares**);
- (v) 50,000,000 Virgin B ordinary shares of 0.1p each (**Virgin B ordinary shares**);
- (vi) 50,000 AMP B ordinary shares of 0.1p each (**AMP B ordinary shares**); and
- (vii) 2,530,768 deferred shares of 0.1P each (**Deferred Shares**).

3.2 Save as provided in these Articles, each class of share specified in Article 3.1 shall rank pari passu in all respects and be regarded as one class of share.

3.3 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up with the consent in writing of the holders of more than one-half of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of that class, but not otherwise. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal value of the issued shares of the class unless all the shares of any class are registered in the name of a single shareholder in which case the quorum shall be that person, his proxy or duly authorised representative of such shareholder (but so that if, at any adjourned meeting of such holders, a quorum as above defined is not present those members who are present shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

3.4 For the period of five years from the date of incorporation of the Company, all shares at the date of incorporation created and unissued (of whatever class) shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons

(including any Director) on such terms and conditions and at such time or times as the Directors may think fit and the Directors may grant to any person or persons (including any Director) the right to subscribe for, or to convert any security into, shares in the Company either at par or at a premium, and for such time and for such consideration as the Directors may think fit.

3.5 In accordance with Section 91 of the Act, Sections 89(1) and 90(1) to (6) inclusive of the Act shall be excluded from applying to the Company.

3.6 The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit notices of any trusts in respect of any of the shares of the Company. Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were absolute owners thereof. For the purpose of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in case of transmission thereof as are hereinafter mentioned.

LIEN

4. The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of that share, whether by way of dividend or otherwise.

FORFEITURE OF SHARES

5. Regulation 18 of Table A is hereby modified by adding at the end of the first sentence thereof the following:-

“and all expenses that may have been incurred by the Company by reason of such non-payment.”

TRANSFER OF SHARES

6. The Directors, may in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share.

PROCEEDINGS AT GENERAL MEETINGS

7. 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 demanded. Subject to the provisions of the Act, a poll may be demanded by any member present in person or by proxy.

VOTES OF MEMBERS

8. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.

NUMBER OF DIRECTORS

9. The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of such determination there shall be no maximum number of Directors and the minimum number of Directors shall be two.

APPOINTMENT OF DIRECTORS

- 10.1 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.
- 10.2 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.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

11. 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 a 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 (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) if he is removed from office by notice in writing signed by all his co-Directors and served upon him; or
- (F) 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.

PROCEEDINGS OF DIRECTORS

- 12.1 The quorum for the transaction of the business of the Directors shall be two. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 12.2 A Director may vote in respect of any contract or arrangement notwithstanding that he may be interested therein and if he does so he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.
- 12.3 A resolution of which any Director has signified his approval by letter, cable, telex, telegram or facsimile message shall be as valid and effectual as a resolution in writing signed by that Director.

- 12.4 A meeting of the Directors or of a committee of the Directors may consist of a conference between Directors or members of the committee who are not all in one place but of whom each is able (directly or by telephonic, televisual or similar means of communication) to speak to each of the others and to be heard by each of the others simultaneously.

WINDING-UP

13. If the Company shall be wound up the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall first be applied in repaying to the members the amounts paid or credited as paid on the shares held by them respectively and the balance (if any) shall be distributed among the members in proportion to the number of shares held by them respectively; Provided always that the provisions hereof shall be subject to the rights of the holders of shares (if any) issued upon special conditions.

INDEMNITY

14. Every Director or officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution or discharge 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 which the charge is found not proven or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to be incurred by the Company in the execution or discharge of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

THE COMPANIES ACTS 1985 to 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

CHALLENGER (NORWICH) LIMITED

(Registered No 3427512)

1. The Company's name is CHALLENGER (NORWICH) LIMITED¹.
2. The Company's registered office is to be situated in England and Wales².
3. The object of the Company is to carry on business as an investment holding company.
4. Without prejudice to the generality of the object and the powers of the Company derived from Section 3A of the Act the Company has power to do all or any of the following things:
 - 4.1 to purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;
 - 4.2 to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire;
 - 4.3 to acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and

¹ Changed from "Extrapoll Limited" to "Virgin Direct (2) Limited" by special resolution passed on 15 October 1997.
Changed from "Virgin Direct (2) Limited" to "Virginmoney Limited" on 15 May 2000.
Changed from "Virginmoney Limited" to "Challenger (Norwich) Limited" on 27 July 2001.

² Clause 3 substituted by special resolution passed on 3 August 2001.

retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;

- 4.4 to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and
- 4.5 to control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to such company or companies;
- 4.6 to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- 4.7 to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities or any company purchasing the same;
- 4.8 to act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts;
- 4.9 to remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient;
- 4.10 to distribute among the Members of the Company in kind any property of the Company of whatever nature;
- 4.11 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company;
- 4.12 to support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the company, or any company which is a subsidiary of the Company or the holding company of the company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance including insurance for any Director, officer or Auditor against any liability as is referred to in section 310(1) of the Act; and to set up, establish, support and maintain.

5. The Company's share capital is £183,500³ divided into:
 - 5.1 14,030,768 Virgin A ordinary shares of 0.1 pence each;
 - 5.2 969,232 Virgin convertible shares of 0.1 pence each;
 - 5.3 969,232 Executive convertible shares of 0.1 pence each;
 - 5.4 50,000,000 Virgin B ordinary shares of 0.1 pence each;
 - 5.5 65,000,000 AMP A ordinary shares of 0.1 pence each;
 - 5.6 50,000,000 AMP B ordinary shares of 0.1 pence each;
 - 5.7 2,530,768 Deferred Shares of 0.1 pence each.

³ The initial share capital of the Company was £1,000 divided into 1,000 ordinary shares of £1.00 each.

By an ordinary resolution passed on 15 October 1997 each such ordinary share was sub-divided into 1,000 ordinary shares of 0.1 pence each and each ordinary share so created was immediately redesignated as an ordinary share of 0.1 pence each.

By an ordinary resolution passed on 16 October 1997 the share capital was redesignated as 14,061,536 Virgin ordinary shares of 0.1 pence each, 969,232 Virgin convertible shares of 0.1 pence each and 969,232 executive convertible shares of 0.1 pence each.

By an ordinary resolution passed on 21 November 1997, the authorised share capital of the Company was increased from £16,000 to £183,500 by the creation of:-

64,969,232 AMP A ordinary shares of 0.1p each
50,000,000 Virgin B ordinary shares of 0.1p each
50,000,000 AMP B ordinary shares of 0.1p each; and
2,530,768 Deferred Shares of 0.1p each

By a second ordinary resolution passed on 21 November 1997 all of the issued Virgin ordinary shares (being 14,030,768) were redesignated as Virgin A ordinary shares and the 30,768 unissued Virgin ordinary shares were redesignated as AMP A ordinary shares.

By a special resolution passed on 20 July 1998 the figure for Virgin A ordinary shares was amended from 14,061,536 to 14,030,768 and the figure for Deferred shares was amended from 2,503,768 to 2,530,768.