

Company Number: 4304002

**REINSURANCE FINANCE MANAGEMENT LIMITED**  
(the Company)

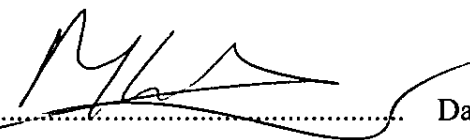
**Written Resolution**

We, the undersigned, being the sole member of the Company entitled to attend and vote at any general meeting of the Company in respect of the Resolution set out below, hereby agree, in accordance with Chapter 2 of Part 13 of the Companies Act 2006, the following resolution be passed as a special resolution of the Company:

**Special Resolution**

THAT new Articles of Association in the form annexed to this resolution and for the purpose of identification marked "A" are approved and adopted in substitution for and to the exclusion of the existing Articles of Association of the Company.

Signed by: .....



Dated: 12 December 2008

For and on behalf of  
Randall & Quilter Investment Holdings plc



"A"

**THE COMPANIES ACTS 1985 to 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**REINSURANCE FINANCE MANAGEMENT LIMITED**

(Adopted by Written Resolution passed on 12 December 2008)

**1 Preliminary**

- 1.1 The regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 and any subsequent amendments shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

1.2 In these Articles:

"**the Act**" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force.

"**the articles**" means the articles of the company.

"**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.

"**communication**" means the same as in the Electronic Communications Act 2000.

"**electronic communication**" means the same as in the Electronic Communications Act 2000.

"**executed**" includes any mode of execution.

"**office**" means the registered office of the company.

"**the holder**" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

"**the seal**" means the common seal of the company.

"**secretary**" means any secretary of the company or any other person appointed to perform the functions or tasks of secretary of the company, including any joint, assistant or deputy secretary.

"**the Statutes**" means the Act and any statutory modification or re-enactment thereof for the time being in force and every other Act of Parliament for the time being in force concerning companies and affecting the Company.

"**the United Kingdom**" means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the company.

## **2     Share Capital**

- 2.1     Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
- 2.2     Subject to the provisions of the Act, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.
- 2.3     The provisions of section 89(1) of the Act shall not apply to the Company.
- 2.4     The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 2.5     Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

## **3     Share certificates**

- 3.1     Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares in any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 3.2     If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

## **4     Lien**

- 4.1     The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 4.1. The company's lien on a share shall extend to any amount payable in respect of it.
- 4.2     The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 4.3     To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of,

the purchaser. The title of the transferee of the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

- 4.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale.

## **5 Calls on shares and forfeiture**

- 5.1 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 5.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was made.
- 5.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 5.4 If a call remains unpaid after it becomes due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
- 5.5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment or call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
- 5.6 Subject to the terms of allotment, the directors may make arrangement on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 5.7 If a call remains after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the share in respect of which the call was made will be liable to be forfeited.
- 5.8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other

moneys payable in respect of the forfeited shares and not paid before the forfeiture.

- 5.9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 5.10 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 5.11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## **6 Transfer of shares**

- 6.1 The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
- 6.2 If the directors refuse to register the transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
- 6.3 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
- 6.4 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
- 6.5 The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

## **7 Transmission of shares**

- 7.1 If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint

holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

- 7.2 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
- 7.3 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

## **8 Alteration of share capital**

- 8.1 The company may by ordinary resolution –
- 8.1.1 increase its share capital by new shares of such amount as the resolution prescribes;
  - 8.1.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 8.1.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the other; and
  - 8.1.4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- 8.2 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 8.3 Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

## **9 Purchase of own shares**

- 9.1 Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

## **10 General meetings**

- 10.1 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene general meetings in accordance with the provisions of the Act. If the Company has only a single member, such member shall be entitled at any time to call a general meeting.
- 10.2 The following provisions of this Article apply if the Company has only a single member:
- 10.2.1 a single member of the Company (or the proxy or authorised representative of a single member representing that member at the relative general meeting) shall be the chairman of any general meeting of the Company and Article 12.3 shall be modified accordingly;
  - 10.2.2 if the single member takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, the single member shall (unless the decision is taken by way of a written resolution) provide the Company with a written record of that decision. However, failure to do so shall not affect the validity of such decision;
  - 10.2.3 all other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company which has only one member.

## **11 Notice of general meetings**

- 11.1 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 by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent. in nominal value of the shares giving that right.
- 11.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.
- 11.3 Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.
- 11.4 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.

## **12     Proceedings at general meetings**

- 12.1 No business shall be transacted at any meeting unless a quorum is present. Save in the case of a company with a single member two 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.
- 12.2 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 time and place as the directors may determine.
- 12.3 If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved. Provided that if the Company has only a single member, the preceding provisions of this Article 12 as to adjournment shall not apply and, if 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 be dissolved and shall not be adjourned.
- 12.4 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the 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.
- 12.5 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.
- 12.6 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
- 12.7 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 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.
- 12.8 A resolution put to the vote of 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
- 12.8.1 by the chairman; or
- 12.8.2 by at least two members having the right to vote at the meeting; or
- 12.8.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 12.8.4 by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up



equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

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

- 12.9 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.
- 12.10 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.
- 12.11 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.
- 12.12 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.
- 12.13 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. 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.
- 12.14 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.
- 12.15 In accordance with the Act, a resolution of members in writing has effect as if passed by the Company in general meeting. Such resolution in writing shall be deemed to have been duly executed on behalf of the Company if signed by one of its directors, its secretary, duly appointed attorney or duly authorised representative. In the case of a share held by joint holders the signature of any one of them on behalf of all such joint holders shall be sufficient for the purposes of this Article 12.15.

### **13 Votes of members**

- 13.1 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 or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.
- 13.2 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other

joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

- 13.3 A member in respect of whom an order has been made by any court having jurisdiction whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than forty-eight hours before the time appointed for holding the meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercised.
- 13.4 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
- 13.5 No objection shall be raised to the qualification of any voter 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. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

#### **14 Proxies**

- 14.1 On a poll votes may be given personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
- 14.2 The instrument appointing a proxy shall be executed by or on behalf of the appointor and may afford members an opportunity of instructing the proxy how he shall act. An instrument of proxy shall be in such form which is usual or which the directors may approve.
- 14.3 An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the registered office) before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. An instrument of proxy shall not be treated as valid until such delivery shall have been effected.
- 14.4 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation 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 or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received 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.

**15     Number of directors**

- 15.1 Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.

**16     Powers of directors**

- 16.1 Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or 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 16.1 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.
- 16.2 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
- 16.3 The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part of it, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

**17     Delegation of directors' powers**

- 17.1 The directors may delegate any of their powers to any committee consisting of one or more directors. Any committee shall have power unless the directors direct otherwise to co-opt as a member or members of the committee any person or persons although not being a director of the Company. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation 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. Subject to any such conditions, 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.

**18     Disqualification and removal of directors**

- 18.1 The office of a director shall be vacated if
- 18.1.1 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
  - 18.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 18.1.3 he is, or may be, suffering from mental disorder and either -

- (i) he is admitted to hospital in pursuance of an application for admission or treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, 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

18.1.4 he resigns his office by notice to the company; or

18.1.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated

18.1.6 if he shall have served upon him a notice in writing signed by all his co-directors (being at least two in number) removing him from office as director, but so that in the case of a managing director or a director appointed to any other executive office such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## **19 Re-numeration of directors**

19.1 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.

19.2 Any director who serves on any committee, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, commission or otherwise as the directors may determine.

## **20 Directors' expenses**

20.1 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 or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

## **21 Directors' interests**

21.1 For the purposes of section 175 of the 2006 Act, the board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if:

21.1.1 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and

- 21.1.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted. The board may vary or terminate any such authorisation at any time.

For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

- 21.2 Provided that he has disclosed to the board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the 2006 Act apply, in which case no such disclosure is required) a director notwithstanding his office:

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

21.2.2 may act by himself or his firm in a professional capacity for the Company (otherwise than as an auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

21.2.3 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.

- 21.3 A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate;

21.3.1 the acceptance, entry into or existence of which has been approved by the board pursuant to Article 21.1 (subject, in any case, to any limits or conditions to which such approval was subject); or

21.3.2 which he is permitted to hold or enter into by virtue of Articles 21.2.1, 21.2.2 and 21.2.3;

21.3.3 nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act.

- 21.4 Any disclosure required by Article 21.2 may be made at a meeting of the board, by notice in writing or by general notice or otherwise in accordance with section 177 of the 2006 Act.

- 21.5 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the board pursuant to 21.1. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of section 171 to 177 of the 2006 Act because he fails:

- 21.5.1 to disclose any such information to the board or to any director or other officer or employee of the Company; and/or
- 21.5.2 to use or apply any such information in performing his duties as a director of the Company.
- 21.6 The provisions of these Articles are without prejudice to any equitable principle or rule of law which may excuse the director from:
  - 21.6.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
  - 21.6.2 attending meetings or discussions or receiving documents and information in circumstances where such attendance or receipt of such documents and information would otherwise be required under these Articles.

## **22 Directors gratuities and pensions**

- 22.1 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director whom 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 ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## **23 Proceedings of directors**

- 23.1 Subject to 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. 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.
- 23.2 The quorum for the transaction of the business of the directors shall be fixed by the directors and unless so fixed shall be two.
- 23.3 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.
- 23.4 The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed 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 directors present may appoint one of their number to be chairman of the meeting.
- 23.5 Any director or member of a committee of the directors may participate in a meeting of the directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the

meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.

- 23.6 All acts done by a meeting of directors, or of 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.
- 23.7 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) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.
- 23.8 Subject to disclosure in accordance with these Articles of the nature and extent of any direct or indirect interest in a proposed transaction or arrangement with the Company, an existing transaction or arrangement that has been entered into by the Company or a transaction or arrangement or proposed transaction or arrangement in which the Company has a direct or indirect interest a Director may:
- 23.8.1 vote at any meeting of the Directors or of any committee of the Directors, on any resolution that concerns or relates to a matter in which he has a direct or indirect interest, and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting; and
- 23.8.2 be or become a director or other officer of, or employed by or otherwise be interested in, any holding company or subsidiary company of the Company.
- 23.9 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each directors 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.
- 23.10 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 and his ruling in relation to any director other than himself shall be final and conclusive.

## **24 Secretary**

- 24.1 The directors may in their absolute discretion appoint a secretary and any secretary so appointed 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.

## **25 Minutes**

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

- 25.2 of all appointments of officers made by the directors; and
- 25.3 of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, including the names of the directors present at each such meeting.

**26 The seal**

- 26.1 Where the Company has adopted a seal it shall only be used by the authority of the directors or of a committee of the 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.

**27 Dividends**

- 27.1 Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
- 27.2 Subject to the provisions of the Act, the directors may 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 arrear. 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. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 27.3 Except as otherwise provided to the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on 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 dividends as from a particular date, that share shall rank for dividend accordingly.
- 27.4 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.
- 27.5 Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled, 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 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 moneys payable in respect of the share.

27.6 No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

27.7 Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

## **28 Accounts**

28.1 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.

## **29 Capitalisation of profits**

29.1 The directors may with the authority of an ordinary resolution of the company

29.1.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;

29.1.2 appropriate the sum resolved to the capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sums on their behalf either in or towards the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article 29.1.2, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

29.1.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they may determine in the case of shares or debentures becoming distributable under this Article 29.1.3 in fractions; and

29.1.4 authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

## **30 Notices**

30.1 Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using

electronic communications to an address for the time being notified for that purpose to the person giving the notice.

- 30.2 In this Article 30.2, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 30.3 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 or by giving it using electronic communications to an address for the time being notified to the company by the member. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. 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 or an address to which notices may be sent using electronic communications, 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.
- 30.4 In this Article 30.4 and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 30.5 A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 30.6 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered on the register of members, has been duly given to a person from whom he derives his title.
- 30.7 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.
- 30.8 A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustees of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

## **31 Winding up**

- 31.1 If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide

among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

## **32     Indemnity**

32.1    Subject to the provisions of, and so far as may be consistent with, the Statutes, but without prejudice to any indemnity to which a director or other officer may otherwise be entitled, the Company shall indemnify every director or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office, including (without prejudice to the generality of the foregoing) any liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a director or other officer of the Company provided that, in the case of any director of the Company, such indemnity shall not apply to any liability of that director:

32.1.1    to the Company or to any of its associated companies;

32.1.2    to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or

32.1.3    incurred:

(i)        in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the Company or any of its associated companies in which judgment is given against him; or

(ii)       in connection with any application under any statute for relief from liability in respect of any such act or omission in which the Court refuses to grant him relief,

in each case where the conviction, judgment or refusal by the Court is final within the meaning stated in section 234(5) of the Act.

32.2    Every director shall be entitled to have funds provided to him by the Company to meet expenditure incurred or to be incurred in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a director, provided that he will be obliged to repay such amounts no later than:

32.2.1    in the event he is convicted in proceedings, the date when the conviction becomes final;

32.2.2    in the event of judgment being given against him in proceedings, the date when the judgment becomes final; or

32.2.3    in the event of the court refusing to grant him relief on any application under any statute for relief from liability, the date when refusal becomes final;

in each case where the conviction, judgment or refusal by the Court is final within the meaning stated in section 234(5) of the Act.

### **33     Overriding provisions**

**33.1** Whenever Randall & Quilter Holdings Plc (company number 03671097) ("**Parent Company**"), or any subsidiary of the Parent Company, shall be the holder of not less than 90 per cent. of the issued ordinary shares of the Company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these articles:

**33.1.1**     the Parent Company may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed but so that in the case of a managing director or a director appointed to any other executive office his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;

**33.1.2**     no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company; and

**33.1.3**     any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

**33.2** Any appointment, removal, consent or notice made or given under Article 33.1 shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose. No person dealing with the Company shall be concerned to see or enquire whether the powers of the directors have been in any way restricted hereunder or whether any requisite consent of the Parent Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party has at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors.