

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

THE ARTICLES OF ASSOCIATION OF:

**SPIRIT FINANCIAL HOLDINGS
LIMITED**

Company No: 04320672

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OF
SPIRIT FINANCIAL HOLDINGS LIMITED

INTRODUCTION

I. INTERPRETATION

- I.1 In these Articles the following expressions have the following meanings unless the context otherwise requires:

2006 Act: the Companies Act 2006;

Appointor: has the meaning given in Article 13.1;

Articles: the Company's articles of association for the time being in force;

Associated Company: has the meaning given in section 256 of the Companies Act 2006;

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Companies Acts: has the meaning given in section 2 of the 2006 Act, in so far as they apply to the Company;

Eligible Director: in relation to any matter, a director who would be entitled to form part of the quorum and to vote on the matter at a meeting of directors at that part of a meeting during which that matter is under consideration;

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles; and

Relevant Officer: any director or other officer or former director or former other officer of the Company or an Associated Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Company (or Associated Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

- I.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Acts shall have the same meanings in these Articles.
- I.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- I.4 A reference in these Articles to an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- I.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- I.5.1 any subordinate legislation from time to time made under it; and

- 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 The singular includes the plural and vice versa and any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Regulations 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.9 Regulation 7 of the Model Articles shall be amended by:
- 1.9.1 the insertion of the words "for the time being" at the end of regulation 7(2)(a); and
- 1.9.2 the insertion in regulation 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.10 Regulation 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.11 In regulation 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.12 Regulation 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 2. NAME AND LIABILITY**
- 2.1 The name of the Company is Spirit Financial Holdings Limited.
- 2.2 The liability of the members is limited to the amount, if any, unpaid on shares held by them.
- 3. UNANIMOUS DECISIONS**
- 3.1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 3.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 3.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.
- 4. CALLING A DIRECTORS' MEETING**
- Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the secretary (if any) to give such notice.
- 5. QUORUM FOR DIRECTORS' MEETINGS**
- 5.1 Unless the Company has only one director and subject to Article 5.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors.

- 5.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 5.3 If the total number of Eligible Directors or directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 5.3.1 to appoint further directors; or
- 5.3.2 to call a general meeting so as to enable the members to appoint further directors.
6. **CASTING VOTE**
- 6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.
- 6.2 Article 6.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director chairing the meeting is not an Eligible Director for the purposes of that meeting (or part of a meeting).
7. **DIRECTORS' CONFLICTS OF INTEREST**
- 7.1 For the purposes of section 175 of the 2006 Act, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 7.2 A director seeking authorisation in respect of a conflict shall declare to the other directors the nature and extent of the conflict as soon as is reasonably practicable.
- 7.3 Authorisation of a matter under this Article 7 shall be effective only if:
- 7.3.1 the matter in question shall have been proposed by any director for consideration in the same way any other matter may be proposed to the directors under the provisions of these Articles or in such other matter as the directors may determine;
- 7.3.2 the requirements of Article 5 as to the quorum at the meeting of the directors at which the matter is considered are met; and
- 7.3.3 the matter was agreed to without the conflicted director(s) voting or would have been agreed to if the votes of the conflicted director(s) had not been counted.
- 7.4 Any authorisation of a matter under this Article may:
- (a) extend to any actual or potential conflict of interest which may arise out of the matter so authorised;
- (b) be subject to such conditions or limitations as the directors may determine, whether at the time such authorisation is given or subsequently;
- (c) be terminated by the directors at any time;
- and a director shall comply with any obligations imposed on him pursuant to any such authorisation.
- 7.5 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under these Articles and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

7.6 This Article 7 does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.

8. PERMITTED INTERESTS

8.1 Subject to compliance with Article 8.2, a director, notwithstanding his office, may have an interest of the following kind:

8.1.1 where a director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares or any right to acquire shares) in any body corporate (or any body corporate that has an interest in the Company) in which the Company is otherwise (directly or indirectly) interested;

8.1.2 where a director (or a person connected with his) is a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or any body corporate (or any body corporate that has an interest in the Company) in which the Company is otherwise (directly or indirectly) interested;

8.1.3 where the director (or a person connected with him) acts or any firm of which the director (or a person connected with him) is a partner, employee or member acts in a professional capacity for the Company (other than as auditor) whether or not he or the firm is remunerated therefor;

8.1.4 where a director is or becomes a director of any other company in which the Company does not have an interest if that cannot reasonably be regarded as likely to give rise to a conflict of interest at the time of his appointment as director of that other company.

8.2 Subject to section 177 and section 182 of the 2006 Act the director shall declare the nature and extent of any interest permitted under Article 8.1, and not falling within Article 8.3, at a meeting of the directors or in such other manner as the directors may determine.

8.3 No declaration of an interest shall be required by a Director in relation to an interest:

8.3.1 if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or

8.3.2 if, or to the extent that, it concerns the terms of his service contract (as defined in section 227 of the 2006 Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose.

9. CONFIDENTIAL INFORMATION

9.1 Subject to Article 9.2, if a director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

9.1.1 to disclose such information to the Company or to the directors, or to any director, officer or employee of the Company; or

9.1.2 otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director.

9.2 Where such duty of confidentiality arises out of a situation in which the director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company,

Article 9.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 7 above or falls within Article 8 above.

- 9.3 This Article is without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing information, in circumstances where disclosure may otherwise be required under this Article.

10. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

11. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

12. RETIREMENT OF DIRECTORS

The directors shall not be subject to retirement by rotation.

13. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 13.1 Any director (the "Appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

13.1.1 exercise that director's powers; and

13.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.

- 13.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor.

- 13.3 The notice must:

13.3.1 identify the proposed alternate; and

13.3.2 in the case of a notice of appointment, contain or be accompanied by a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

14. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 14.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's Appointor.

- 14.2 Except as the Articles specify otherwise, alternate directors:

14.2.1 are deemed for all purposes to be directors;

14.2.2 are liable for their own acts and omissions;

14.2.3 are subject to the same restrictions as their Appointors; and

14.2.4 are not deemed to be agents of or for their Appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.

- 14.3 A person who is an alternate director but not a director:

- 14.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);
 - 14.3.2 may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and
 - 14.3.3 shall not be counted as more than one director for the purposes of Articles 14.3.1 and 14.3.2.
- 14.4 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 14.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor, but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the Appointor's remuneration as the Appointor may direct by notice in writing made to the company.
- 15. **TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates:

 - 15.1.1 when the Appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
 - 15.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the Appointor, would result in the termination of the Appointor's appointment as a director;
 - 15.1.3 on the death of the Appointor; or
 - 15.1.4 when the Appointor's appointment as a director terminates.
- 16. **SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.
- 17. **POLL VOTES**
 - 17.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the 2006 Act) present and entitled to vote at the meeting.
 - 17.2 Regulation 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.
- 18. **PROXIES**
 - 18.1 Regulation 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

- 18.2 Regulation 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that regulation.

19. **MEANS OF COMMUNICATION TO BE USED**

- 19.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- 19.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- 19.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 19.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 19.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

- 19.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the 2006 Act.

20. **INSURANCE**

- 20.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company.

21. **INDEMNITY**

- 21.1 Subject to the provisions of, and so far as may be permitted by and consistent with the Companies Acts, every director and officer of the Company and each Associated Company shall be indemnified by the Company out of its own funds against:

- 21.1.1 any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company other than:

- (a) any liability to the Company or an Associated Company; and
- (b) any liability of the kind referred to in section 234(3) of the 2006 Act; and

- 21.1.2 any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

- 21.2 Subject to the Companies Acts, the Company may indemnify a director of the Company and any Associated Company of the Company if it is the trustee of an occupational pension scheme (within the meaning of section 235(6) of the 2006 Act).

21.3 Where a director or officer is indemnified against any liability in accordance with this Article 21, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

22. **DEFENCE FUNDING**

22.1 Subject to the provisions of and so far as may be permitted by the 2006 Act, the Company:

22.1.1 may provide a director or officer of the Company or an Associated Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company or in connection with any application for relief under the provisions mentioned in section 205(5) of the 2006 Act; and

22.1.2 may do anything to enable any such director or officer to avoid incurring such expenditure.

22.2 The terms set out in section 205(2) of the 2006 Act shall apply to any provision of funds or other things done under Article 22.1.

23. **OVERRIDING PROVISIONS**

23.1 Any member holding, or any members together holding, shares carrying not less than 90 per cent of the votes which may for the time being be cast at a general meeting of the Company may from time to time by notice in writing:

23.1.1 appoint any person to be a director (whether to fill a vacancy or as an additional director);

23.1.2 remove from office any director howsoever appointed, but so that if he holds an appointment to an executive office that thereby automatically determines, 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;

23.1.3 require that no unallotted shares shall be allotted or agreed to be allotted or put under option without the consent of such member or members;

23.1.4 restrict any or all powers of the directors in such respects and to such extent as such member or members may by notice in writing to the Company from time to time prescribe.

23.2 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted hereunder or as to whether any requisite consent of such member or members 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 had 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.

23.3 To the extent of any inconsistency this Article 23 shall have overriding effect as against all other provisions of these Articles.

24. **APPOINTMENT OF ATTORNEYS**

- 24.1 The directors may by power of attorney or otherwise appoint any company, firm, person or group of persons, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under or pursuant to these Articles) and for such period and subject to such conditions as the directors may think fit. A power of attorney may contain such provisions the directors may decide on for the protection and convenience of persons dealing with the attorney and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The directors may remove any person appointed under this Article and may revoke or vary the delegation but no person who deals in good faith and without notice of the revocation or variation shall be affected by it.