

THE COMPANIES ACTS 1985 to 1989

PRIVATE COMPANY LIMITED BY SHARES

154 2 689

MEMORANDUM OF ASSOCIATION OF



BUPA FINANCIAL INVESTMENTS LIMITED
(amended on 4th March 2005)

1. The Company's name is "BUPA FINANCIAL INVESTMENTS LIMITED".
2. The Company's registered office is to be situated in England and Wales.
- 3.1 The object of the Company is to carry on business as a general commercial company.
- 3.2 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:-
 - 3.2.1 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.
 - 3.2.2 To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any trade marks, patents, copyrights, trade secrets, or other intellectual property rights, licences, secret processes, 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.

3.2.3 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, or for subsidising or otherwise assisting 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 retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

3.2.4 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 privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

3.2.5 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

3.2.6 To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

3.2.7 To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

3.2.8 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

3.2.9 To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

3.2.10 To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

3.2.11 To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

3.2.12 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 any such company or companies.

3.2.13 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.

3.2.14 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 of any company purchasing the same.

3.2.15 To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

3.2.16 To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

3.2.17 To distribute among the members of the Company in kind any property of the Company of whatever nature.

3.2.18 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.

3.2.19 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 in respect of any negligence, default, breach of duty or breach of trust (so far as permitted by law); and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.

3.2.20 Subject to and in accordance with the provisions of the Act (if and so far as such provisions shall be applicable) to give, directly or indirectly, financial assistance for the acquisition of shares or other securities of the Company or of any other company or for the reduction or discharge of any liability incurred in respect of such acquisition.

3.2.21 To procure the Company to be registered or recognised in any part of the world.

3.2.22 To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

3.2.23 To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

3.2.24 AND so that:-

3.2.24.1 None of the provisions set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such provision, and none of such provisions shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other provision set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.

3.2.24.2 The word "company" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

3.2.24.3 In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the members is limited.

5. The Company's share capital is £500,015,000 divided into 500,000,000 ordinary shares of £1 each and 15,000 preference shares of £1 each¹.

¹ On 19th December 2003, the Company's share capital was increased from £80,000,000 to £500,000,000. On 4th March 2005, the share capital was increased further from £500,000,000 to £500,015,000 by the creation of 15,000 preference shares of £1 each.

COMPANIES ACT 1985
(as amended)

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BUPA FINANCIAL INVESTMENTS LIMITED

(Adopted by special resolution dated 23rd September 2002 and subsequently amended on 4th March 2005²)

TABLE A

1. Subject as otherwise provided in these Articles, the regulations in Table A prescribed under section 8 of the Companies Act 1985 (the "Act"), as in force at the date of adoption of these articles ("Table A"), shall apply to the Company.

2. The following provisions of Table A shall not apply to the Company - regulation 64; regulations 65 to 69 inclusive; regulations 72 to 80 inclusive; Regulation 84; the last sentence of regulations 88 and 89 respectively; regulations 90 and 91; the semi-colon and the words, "; but a resolution in that capacity" in regulation 93; regulations 94 to 98 inclusive; and regulation 117.

SHARES

3. The share capital of the Company is £80,000,000 divided into 80,000,000 Ordinary Shares of £1 each.

4. Subject to the provisions of Section 80 of the Act and of any resolution of the Company in general meeting passed pursuant thereto, all unissued shares for the time being in the capital of the Company shall be at the disposal of the directors and they may (subject as aforesaid) allot, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as they think fit.

5. (a) The directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the share capital of the Company authorised but unissued at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

(b) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

² On 4th March 2005, new articles 6, 6A, 6B, 6C, 6D, 6E and 6F were adopted.

6. The authorised share capital of the Company at the date of the adoption of this article is in aggregate £500,015,000 divided into:

6.1 500,000,000 ordinary shares of £1 each; and

6.2 15,000 preference shares of £1 each (the "Preference Shares").

6A The holders of the Preference Shares shall be entitled, in priority to the holders of any other class of share in the Company's share capital, to receive out of the profits of the Company available for distribution, the following preferential dividends (the "Preference Dividends"):

6A.1 on or after the third day (the "Third Day") after the first allotment and issue of the Preference Shares (the "Issue Date"), a single non-cumulative special dividend (the "Special Dividend") per Preference Share equal to £949.00 plus Z, where

Z equals £949.00 multiplied by X multiplied by ((Y-3)/365);

X is the rate of interest equal to 7 day UK£ LIBOR;

Y is the number of days after the Issue Date on which the Special Dividend is paid;

LIBOR shall mean the rate of the offered quotation for deposits in UK sterling which appears on Reuters page LIBOR 01 (as appropriate) at or about 11am on the date that is two London banking days preceding the day on which the relevant dividend is paid.

A holder of the Preference Shares shall be entitled to make a call for the Special Dividend at any time on or following the Third Day. Such call shall be made by serving a written notice on the Company to that effect. The date of such notice shall be deemed to be the date of the call and the due date of the dividend; and

6A.2 a cumulative dividend at the rate of 6 month UK£ LIBOR per annum on the amount for the time being paid up (or credited as paid up) as to the nominal value (excluding, for the avoidance of doubt, any premium paid on any Preference Share) on each Preference Share held (the "Cumulative Dividend"). This dividend shall accrue on a daily basis and shall be payable on 31 March and 30 September (or if such date is not a Business Day on the next following Business Day) in each year, save that the first payment shall not be made until 30 September 2005 in respect of the period from the Issue Date until 30 September 2005. For the purposes of this article 6A.2, a "Business Day" shall mean any day (other than a Saturday or a Sunday) on which banks are open for general interbank business in London and "LIBOR" shall have the meaning given in article 6A.1 above but shall be the relevant rate at or about 11 am on the date that is two London banking days preceding the first day of the relevant calculation period.

- 6B The Preference Dividends shall be paid to the holders of the Preference Shares whose names appear on the register at 12 noon on the date that the relevant Preference Dividend is called for by a holder of the Preference Shares or the relevant Preference Dividend is declared by the Company, as applicable.
- 6C Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Companies Act 1985, or unless payment of the Cumulative Dividends would have the effect of depriving the Company of sufficient cash resources prudently to carry on business, the Cumulative Dividends shall be paid immediately on their respective due dates.
- 6D On a distribution of assets of the Company among its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own shares), the holders of the Preference Shares shall be entitled, in priority to any holder of any other class of shares, to receive an amount equal to the aggregate of the capital paid up or credited as paid up as to the nominal value on each Preference Share (excluding, for the avoidance of doubt, any premium paid on any Preference Share) together with a sum equal to any arrears and accruals of any Preference Dividend (whether earned or declared or not) payable on such share calculated up to and including the date of the commencement of the winding up or (in any other case) the date of the return of capital.
- 6E Save as provided in articles 6A to 6D above the holders of the Preference Shares shall not be entitled to any participation in the profits or assets of the Company.
- 6F The holders of the Preference Shares shall, by virtue of and in respect of their holdings of the Preference Shares, have the right to receive notice of, attend, speak and vote at a general meeting of the Company only if a resolution is to be proposed:
- 6F.A abrogating, varying or modifying any of the rights or privileges of the holders of the Preference Shares (in which case they shall only be entitled to vote on such resolution); or
- 6F.B in respect of a winding of the Company; or
- 6F.C if any Preference Dividend has been duly declared at a meeting of the members or directors of the Company but not paid.

Except in the circumstances set out above, holders of the Preference Shares shall not have the right to receive notice of, attend, speak or vote at any general meeting of the Company.

TRANSFER OF SHARES

7. In regulation 24 of Table A the first sentence shall be excluded. In the second sentence the words: "They may also" shall be excluded and replaced by "The directors may".

INTERESTS OF DIRECTORS

8. A director may enter into any contract or arrangement or dealing with the Company and may accept office as a director of any company promoted by the Company or in which the Company is interested and may subscribe for, guarantee the subscription of or otherwise acquire, shares or other interests in any such company and shall not be in any way whatsoever accountable for any profits or benefits so obtained and, subject to making disclosure of the nature of his interest at a meeting of the directors in accordance with Section 317 of the Act (with which Section he shall comply in any event) he may vote and be counted in a quorum at meetings of the directors in regard to any contract, arrangement or dealing in which he is interested or upon any matter arising out of it.

DIRECTORS

9. (1) The minimum number of directors of the Company shall be two. The British United Provident Association Limited ("BUPA") may from time to time increase or reduce the number of directors by writing, signed by one Governor and countersigned by the Secretary of BUPA or by another Governor thereof or by some other person appointed by its board for the purpose.

(2) BUPA may from time to time and at any time appoint any person or persons to be a director or directors and may at any time remove any director whether appointed under this regulation or otherwise.

(3) BUPA may from time to time appoint any director to an executive office (including that of executive director, manager or other salaried office) for such period and upon such terms as it thinks fit. The office may be held together with the office of chairman of the Company.

(4) Every director appointed to an executive office as aforesaid may, subject to the provisions of any contract between himself and BUPA, be liable to be dismissed or removed from such office by BUPA.

(5) The directors may from time to time entrust and confer upon any committee of one or more directors, executive director, manager or any other executive officer as aforesaid all or any of the powers of the directors (except the power to borrow money) as they may think fit. But the delegation of all such power to any committee of one or more directors, executive director, manager or other officer shall be subject to such regulations and restrictions as the directors may from time to time make and impose and the said power may at any time be withdrawn, revoked or varied.

(6) Every appointment or removal made under paragraphs (2) and (3) above must be in writing, signed by a Governor and countersigned by the Secretary of BUPA or by another Governor of BUPA or by some other person appointed by its board for the purpose.

(7) A director appointed under paragraph (2) above (whether he holds executive office or not) shall receive such remuneration (whether by way of salary or otherwise) as BUPA may determine. The directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the board or any committee of the board or general meetings of the Company or in connection with the business of the Company.

(8) All references in Table A to retirement by rotation shall be modified accordingly.

DISQUALIFICATION OF DIRECTORS

10. The office of director shall be vacated if the director shall be removed from office pursuant to regulations 7(2) or 7(4) above.

PROCEEDINGS OF DIRECTORS

11. Without prejudice to the first sentence of regulation 88 of Table A, a meeting of the directors or of a committee of the directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting" in these Articles and in Table A shall be construed accordingly.

12. BUPA may appoint a chairman of the meetings of the board and determine the period for which he is to hold office; but if no such chairman is so appointed, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

WINDING UP

13. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, convey, assign or transfer to BUPA in specie or kind the whole or any part of the assets of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

14. After regulation 118 of Table A there shall be added "(2) Subject to the provisions of the Act, BUPA at its sole discretion may purchase and maintain for any director, officer or auditor, insurance against such liability."