

COPY

**The Companies Act 1985  
(as amended)**

**Private Company Limited by Shares**

**MEMORANDUM OF ASSOCIATION**

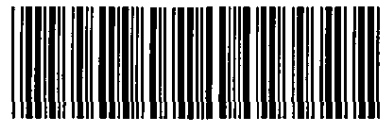
**of**

**DALES RESIDENTIAL MORTGAGE FINANCE LIMITED**

**(Adopted by Special Resolution passed on 3 September 2009)**

1. The Company's name is "Dales Residential Mortgage Finance Limited".
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:
  - 3.1 To invest in mortgage loans secured on residential or other properties within the United Kingdom or elsewhere from third parties whether by purchase or otherwise mortgage loans or other similar investments; to lend or advance money and to give credit to any persons for any purpose whatsoever and in particular but without limitation for the purpose or purposes of, or in connection with, the acquisition, disposal or improvement of or alteration to any residential or other property or any interest therein within the United Kingdom or elsewhere, and whether secured on any such property or unsecured; to carry on business as moneylenders, financiers and investors and to undertake and carry on all kinds of loan, financial and other operations.
  - 3.2 To manage or administer the mortgage loan portfolios of any persons in the United Kingdom or elsewhere and to manage and administer the businesses of any other person, whether or not within the United Kingdom, in whole or in part similar to any of the businesses of the Company.
  - 3.3 To carry on any other businesses of estate agents, conveyancers, surveyors, valuers, insurance brokers or any other business incidental to the acquisition, disposal or improvement of or alteration to any property or any interest therein; to carry on a consumer credit business within the meaning of the Consumer Credit Act 1974 (or any statutory amendment or re-enactment thereof for the time being in force).
  - 3.4 To carry on business as manufacturers, builders and suppliers of and dealers in goods of all kinds, and as mechanical, general, electrical, marine, radio, electronic, aeronautical, chemical, petroleum, gas, civil and constructional engineers and manufacturers, importers and exporters of, dealers in machinery, plant and equipment of all descriptions and component parts thereof, forgings, castings, tools, implements, apparatus and all other articles and things.
  - 3.5 To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or guaranteed by a body corporate constituted or carrying on business in any part of the world or by a government sovereign ruler, commissioners, public body or authority and to hold the same as investments, and to sell, exchange, carry and dispose of the same.

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- 3.6 To carry on the following businesses, namely, contractors, owners and charterers of road vehicles, aircraft and ships and boats of every description, consultants, advisers, financiers, bankers, advertising agents, insurance brokers, agency business of all kinds and to carry on any trade or business in connection with or ancillary to any of the businesses of the Company.
- 3.7 To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified in clause 4, or which may be required by persons having, or about to have, dealings with the Company.
- 3.8 To build, construct, maintain, alter, enlarge, pull down, remove and replace any buildings, shops, factories, offices, works, machinery and engines and to work, manage and control these things.
- 3.9 To enter into contracts, agreements and arrangements with any person for the carrying out by that person on behalf of the Company of any object for which the Company is formed.
- 3.10 To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person.
- 3.11 To enter into any arrangement with a government or authority or person, whether national, international, supreme, municipal, local or otherwise and to obtain from that government or authority any orders, franchises, right, privilege or concession and to carry out, exercise and/or comply with same.
- 3.12 To apply for, purchase and by other means acquire, protect, prolong and renew any patent, patent right, brevet d'invention, licence, secret process, invention, trade mark, service mark, copyright, registered design, protection, concession and right of the same or similar effect or nature, and to use, turn to account, manufacture under and grant licences and privileges in respect of those things, and to spend money in experimenting with, testing, researching, improving and seeking to improve any of those things
- 3.13 To acquire an interest in, amalgamate with and enter into partnership or any arrangement for the sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person, or with any employees of the Company.
- 3.14 To lend money to, guarantee the contracts of, and otherwise assist that person or those employees, and to take and otherwise acquire an interest in that person's shares or other securities and to sell, hold, re-issue, with or without guarantee, and otherwise deal with those shares or other securities.
- 3.15 To lend money to, subsidise and assist any person, to act as agents for the collection, receipt and payment of money and generally to act as agents and brokers for and perform services for any person, and to undertake and perform sub-contracts.
- 3.16 To enter into any guarantee or contract of indemnity or suretyship, and to provide security, including, without limitation, the guarantee and provision of security for the performance of the obligations of or the payment of any money (including, without limitation, capital, principal, premiums, dividends, interest, commissions, charges, discount and any related costs or expenses whether on shares or other securities) by

any person including, without limitation, any person which is for the time being the Company's holding company, the Company's subsidiary, a subsidiary of the Company's holding company or any person which is for the time being a member or otherwise has an interest in the Company or is associated with the Company in any business or venture, with or without the Company receiving any consideration or advantage (whether direct or indirect), and whether by personal covenant or mortgage, charge, assignment or lien over all or part of the Company's undertaking, property, assets or uncalled capital (present and future) or by other means.

- 3.17 To promote, finance and assist any person for the purpose of acquiring all or any of the property, rights and undertaking or assuming the liabilities of the Company and in that connection to place, guarantee the placing of, underwrite, subscribe for and otherwise acquire all or any part of the shares or other securities of a body corporate.
- 3.18 To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of and raising money for the Company and the issue of its shares or other securities, including, without limitation, those incurred in connection with the advertising and offering of its shares or other securities for sale or subscription, brokerage and commissions for obtaining applications for and taking, placing, underwriting or procuring the underwriting of its shares or other securities.
- 3.19 To remunerate any person for services rendered or to be rendered to the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- 3.20 To purchase, take on lease, exchange, hire and otherwise acquire any real or personal property and any right or privilege over or in respect of it.
- 3.21 To receive money on deposit.
- 3.22 To invest and deal with the Company's money and funds not immediately required for the purposes of its business.
- 3.23 To lend money and give credit with or without security.
- 3.24 To borrow, raise and secure the payment of money including, without limitation, by the issue of debentures and other securities, perpetual or otherwise, charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem and pay off those securities.
- 3.25 To remunerate any person for services rendered or to be rendered in placing, assisting and guaranteeing the placing and procuring the underwriting of any share or other security of the Company or of any person in which the Company may be interested or proposes to be interested, or in connection with the conduct of the business of the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- 3.26 To acquire, hold, dispose of, subscribe for, issue, underwrite, place, manage assets belonging to others which include, advise on, enter into contracts or transactions in relation to or involving and in any other way deal with or arrange dealings with or perform any service or function in relation to (as applicable): shares, stocks, debentures, loans, bonds, certificates of deposit and other instruments creating or acknowledging indebtedness, government, public or other securities, warrants, certificates representing securities or other obligations, units in collective investment

schemes, options, futures, spot or forward contracts, derivatives, contracts for differences or other investments or obligations, currencies, interest rates, precious metals, or other commodities, any index (whether related in any way to any of the foregoing or otherwise), any right to, any right conferred by or any interest or any obligation in relation to any of the foregoing and any financial instrument or product deriving from or in any other way relating to any of the foregoing or in any nature whatsoever, and any transaction in respect of hedging the risks associated with any of the foregoing.

- 3.27 To co-ordinate, finance and manage the business and operation of any person in which the Company has an interest.
- 3.28 To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- 3.29 To sell, lease, exchange, let on hire and dispose of any real or personal property and the whole or part of the undertaking of the Company for consideration, including, without limitation, for shares, debentures or other securities, whether fully or partly paid up, of any person, whether or not having objects (altogether or in part) similar to those of the Company.
- 3.30 To hold any shares, debentures and other securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over, turn to account or otherwise deal with all or any part of the property or rights of the Company.
- 3.31 To adopt any means of publicising and making known the businesses, services and products of the Company, including, without limitation, advertisement, publication and distribution of notices, circulars, books and periodicals, purchase and exhibition of works of art and interest and granting and making of prizes, rewards and donations.
- 3.32 To support, subscribe to and contribute to any charitable or public object and any institution, society, club and trade associations.
- 3.33 To subsidise and assist any association of employers or employees and any trade association.
- 3.34 To grant pensions, gratuities, annuities and charitable aid and to provide advantages, facilities and services to any person (including any director or former director) who may have been employed by or provided services to the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company and to the spouses, children, dependants and relatives of those persons and to make advance provision for the payment of those pensions, gratuities and annuities by establishing or acceding to any trust, scheme or arrangement (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation), to appoint trustees and to act as trustee of any trust, scheme or arrangement, and to make payments towards insurance for those persons and their spouses, children, dependants and relatives.
- 3.35 To establish and contribute to any scheme for the purchase or subscription by trustees of shares or other securities of the Company to lend money to employees of the Company or to trustees on their behalf to enable them to purchase or subscribe for shares or other securities of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees.

- 3.36 To apply for, promote and obtain any Act of Parliament and any order or licence of any government department or authority (including, without limitation, the Department of Trade and Industry).
- 3.37 To establish, grant and take up agencies and to remunerate any person in connection with the establishment or granting of an agency.
- 3.38 To distribute among the shareholders in specie any of the Company's property and any proceeds of sale or disposal of any of the Company's property and for that purpose to distinguish and separate capital from profits, but no distribution amounting to a reduction of capital may be made without any sanction required by law.
- 3.39 To purchase and maintain insurance for the benefit of any person including, without limitation, any person who is or was an officer or employee of the Company, a subsidiary of the Company or a company in which the Company has or had an interest (whether direct or indirect) or who is or was trustee of any retirement benefits scheme or any other trust in which any officer or employee or former officer or employee is or has been interested, indemnifying that person against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.
- 3.40 To amalgamate with any other person and to procure the Company to be registered or recognised in any part of the world.
- 3.41 To carry on any other business or activity and do anything of any nature which in the opinion of the Board of Directors of the Company is or may be capable of being conveniently carried on or done in connection with the above, or likely directly or indirectly to enhance the value of or render more profitable all or any part of the Company's undertaking property or assets or otherwise to advance the interests of the Company or of its Members.
- 3.42 To do all things that are incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.
- 3.43 To do all or any of the things provided in any paragraph of clause 3:
- a) in any part of the world;
  - b) as principal, agent, contractor, trustee or otherwise;
  - c) by or through trustees, agents, subcontractors or otherwise; and
  - d) alone or with another person or persons.
- 3.44 To carry on business as a general commercial company.

And it is hereby declared that in this clause 3:

- 1) no activity, action or thing mentioned in this clause 3 is subsidiary or ancillary to any other activity, action or thing mentioned in this clause 3 (whether specified in the same paragraph or different paragraphs of this clause 3);
- 2) each activity, action or thing mentioned in this clause 3 shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any other activity or paragraph or the name of the

- Company or the nature of any business carried on by the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if such activity, action or thing separately constituted the object of a separate, distinct and independent company;
- 3) the Company has as full a power to exercise all or any of the objects provided in this clause 3 as if each such object contained the object of a separate company;
  - 4) the **"Act"** means the Companies Act 1985 including any statutory modifications or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force;
  - 5) a **"subsidiary"** or **"holding company"** is to be construed in accordance with section 1159 of the Companies Act 2006;
  - 6) **"company"**, except where used in reference to this Company, shall include any partnership or other body of persons, whether incorporated or not incorporated, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere;
  - 7) **"person"** shall include any company, body corporate, association or partnership whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated as well as any legal or natural person;
  - 8) **"guarantee"** includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for shares or other securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person.
  - 9) **"securities"** shall include any fully, partly or nil paid or no par value share, stock, unit, debenture or loan stock, deposit receipt, bill, note, warrant, coupon, right to subscribe or convert, or similar right or obligation;
  - 10) **"and"** and **"or"** shall mean **"and/or"** where the context so permits; and
  - 11) **"other"** and **"otherwise"** shall not be construed *ejusdem generis* where a wider construction is possible.
4. The liability of the members is limited.
  5. The Company's share capital is £50,000 divided into 50,000 ordinary shares of £1.00 each.

We, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum; and we agree to take the number of shares shown opposite our respective names.

Name and Address of Subscriber		Number of Shares taken by Subscriber
SFM Corporate Services Limited 35 Great St Helen's London EC3A 6AP	acting by	49,999
Name: _____ Title: <b>Cane Valentine Pickersgill</b>		
Name: _____ Title: <b>Debra Parsall</b>		
SFM Nominees Limited 35 Great St Helen's London EC3A 6AP	acting by	1
Name: _____ Title: <b>Cane Valentine Pickersgill</b>		
Name: _____ Title: <b>Debra Parsall</b>		
		Total shares taken 50,000

Dated 24 June 2008

Witness to the above signatures:

	Witness
Name	Martin Kerr
Occupation	Solicitor
Address:	Sidley Austin LLP Woolgate Exchange 25 Basinghall Street London EC2V 5HA

Dales Residential Mortgage Finance plc

Russell J. L. A.  
(Chairman)

New

**COMPANY NUMBER: 06629022**

**THE COMPANIES ACT 1985**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**DALES RESIDENTIAL MORTGAGE FINANCE LIMITED**

**Adopted by Special Resolution passed on 3 September 2009**

**PRELIMINARY**

1. (A) In these Articles "Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 and "the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.  
  
(B) The Regulations contained in Table A shall apply to the Company save in so far as they are excluded or modified hereby. The Regulations of Table A numbered 24, 73 to 78, 80, 82 and 94 to 97 shall not apply, but, subject as aforesaid, and in addition to the remaining Regulations of Table A, the following shall be the Articles of Association of the Company.

2. **SHARES**

The share capital of the Company is £50,000 divided into 50,000 ordinary shares of £1 each.

3. Sections 89(1) and 90(1) to (6) inclusive of the Act, in their application to allotments by the Company of equity securities, are hereby excluded.

4. **TRANSFERS**

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

5. **PROCEEDINGS AT GENERAL MEETINGS**

No business shall be transacted at any meeting unless a quorum is present. One person entitled to vote on the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

6. **DIRECTORS**



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

7. The quorum necessary for the transaction of business of the Directors shall be two Directors present in person or by alternate.
8. No Director need hold shares of the Company to qualify him as a Director but he shall be entitled to receive notice of and attend at all General Meetings of the Company and at all separate General Meetings of the holders of any class of shares in the capital of the Company and Regulation 38 of Table A shall be modified accordingly.
9. The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and subject to Section 80 of the Act, to issue debenture stock and other securities as security for any debt, liability or obligation of the Company or any third party.
10. A Director shall be entitled to receive remuneration (whether by way of salary, fees, commission, profit participation or otherwise) as the Directors may from time to time decide.
11. Without prejudice to the obligation of any Director to disclose his interest in accordance with Section 317 of the Act, a Director may vote at any Board meeting or any meeting of a committee of the Board on any resolution relating to any contract, transaction or arrangement in which he is interested, or upon any matter arising therefrom, and if he does so vote his vote shall be counted and he shall be reckoned in calculating a quorum when any such contract, transaction or arrangement is under consideration.
12. Without prejudice to the powers of the Directors under Regulation 79 of Table A the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
13. The holder or holders of a majority in nominal value of such part of the issued share capital of the Company as confers the right for the time being to attend and vote at General Meetings of the Company may at any time or from time to time by memorandum in writing signed by or on behalf of him or them, or, in the case of a corporation, by a director or a duly authorised representative and left at or sent to the Registered Office of the Company remove any Director from office or appoint any person to be a Director. Such removal or appointment shall take effect forthwith upon delivery of the memorandum to the Registered Office of the Company or on such later date (if any) as may be specified therein.
14. A Director appointed to fill a vacancy or as an addition to the Board shall not retire from office at the Annual General Meeting next following his appointment and the last two sentences of Regulation 79 of Table A shall be deleted.
15. No person shall be or become incapable of being appointed a Director by reason only of their having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such persons, and no Director shall vacate his

office at any time by reason only of the fact that he has attained the age of seventy or any other age.

16. A meeting of Directors or of a committee of the Board may consist of a conference between Directors and any alternate Directors who are not all in one place, but each of whom is able (directly or by telephone communication) to speak to each of the others, and to be heard by each of the others simultaneously. A Director or an alternate Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is.

17. Regulation 93 of Table A is amended by the addition of the following:

A resolution in writing signed by a Director may be returned by fax to the Board provided that the original is forwarded by post as soon as practicable provided that any failure to receive the original shall not invalidate any such resolution.

18. **INSURANCE**

Subject to the provisions of the Act, the Directors may purchase and maintain insurance at the expense of the Company for the benefit of any Director or other officer or auditor of the Company against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done by him as a Director, officer or auditor.