

FC 2362/84

No. 929027

THE COMPANIES ACTS 1948 to 1967

AND

THE COMPANIES ACTS 1948 to 1981

COMPANY LIMITED BY SHARES

Memorandum

(As altered by Resolution of the Directors passed 8th December, 1981)

and

NEW

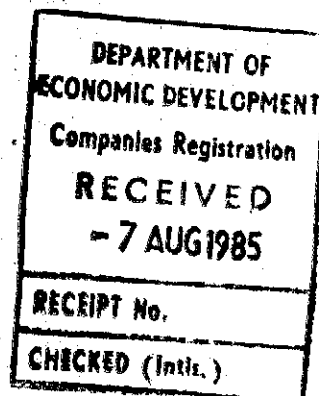
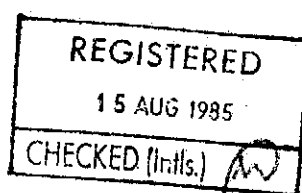
Articles of Association

(As adopted by Special Resolution passed 20th April, 1982)

of

National Westminster Bank Public Limited Company

(Incorporated 18th March, 1968)



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CERTIFICATE OF INCORPORATION

No. 929027

I hereby certify that

National Westminster Bank Limited

is this day incorporated under the Companies Acts 1948 to 1967 and that the
Company is Limited.

Given under my hand at London the 18th March, 1968.

F. L. KNIGHT.

Assistant Registrar of Companies



**CERTIFICATE OF INCORPORATION
ON RE-REGISTRATION AS A PUBLIC COMPANY**

No. 929027

I hereby certify that

**National Westminster Bank
Public Limited Company**

has this day been re-registered under the Companies Acts 1948 to 1980 as a
public company, and that the company is limited.

Dated at Cardiff the 1st February, 1982

B. HAYWARD

Assistant Registrar of Companies

THE COMPANIES ACTS 1948 to 1967

COMPANY LIMITED BY SHARES

Memorandum of Association

of

National Westminster Bank

Public Limited Company

(As altered by Resolution of the Directors passed 8th December, 1981)

-
1. The name of the Company is "National Westminster Bank Public Limited Company" and it is hereinafter called "the Bank".
 2. The Bank is to be a public company.
 3. The registered office of the Bank is situate in England.
 4. The objects for which the Bank is established are:—
 - (A) To carry on the business of banking in all its branches, including all financial and monetary transactions and other business which now is or at any time during the existence of the Bank may be usually or commonly carried on in any part of the world by British, foreign or overseas banks, merchant banks or financiers or concessionaires; and in particular (but not so as to qualify the generality of the objects hereinbefore stated) to borrow, raise or take up money, lend or advance money, securities or property (with or without security), issue, subscribe for, guarantee the subscription of, buy, sell, discount, hold, guarantee, transfer and deal with obligations, instruments (whether negotiable or not), and securities of every kind (including in particular the bonds, obligations, securities, stocks and shares of any government, provincial or local authority, body, corporation, company, society or partnership), grant and issue letters of credit and circular notes, deal in specie and precious metals, receive on deposit or for safe custody or otherwise, cash, securities and valuables of every description, collect and transmit money and securities; manage property, and transact all agency business commonly transacted by bankers.

- (B) To guarantee the payment of any money or the discharge or performance of any obligation by any government, provincial or local authority, governing body, person, firm, corporation or other association, and to give and take counter guarantees.
- (C) To undertake and execute either alone or jointly the office of trustee or Custodian trustee and also to undertake and execute the offices of Executor of the Will of any deceased person, Administrator of any deceased person, trustee for debenture holders or debenture stockholders or loan stockholders of any company and of receiver or treasurer; to undertake the management and trusteeship of unit trusts and investment trusts, to issue and transact business in respect of all types of bankers' cards and credit cards, and to keep for any company, government, authority, body or society, whether incorporated or not, any register relating to any shares, stocks, funds or securities and any other forms of record and of account which may be requisite and to undertake any duties in relation to the registration of transfers, the issue of certificates, or otherwise.
- (D) To take or concur in any steps or proceedings (including the undertaking of any obligation, monetary or otherwise) calculated to uphold or support the credit of the Bank, or to obtain, maintain or restore public confidence, or to avert or minimise financial disturbances directly or indirectly affecting or likely to affect the business of the Bank.
- (E) To purchase, take on lease or in exchange, hire or otherwise acquire for any estate or interest any real or personal property, businesses, rights, or privileges, the acquisition whereof may appear to be necessary or convenient for the purposes, or directly or indirectly conducive to the interests of the Bank.
- (F) To sell, mortgage, develop, lease, improve, and turn to account any real or personal property, businesses, rights, or privileges of any kind belonging to the Bank, or in which the Bank may be interested.
- (G) To accept in consideration of any property let, sold or otherwise disposed of, or for any services, shares, stock, obligations or securities of any company, whether constituted under the laws of the United Kingdom or under the laws of any colony or dependency thereof, or of any Commonwealth or foreign country or state.
- (H) To enter into any arrangement for sharing profits, union of interests, amalgamation or co-operation with any company, firm or person carrying or proposing to carry on any business within the objects of the Bank, and to acquire and hold shares, stock or securities of any such company.
- (I) To establish or promote or concur in establishing or promoting any company whose objects shall include the carrying on of any business which the Bank is authorised to carry on, or the acquisition or taking over of any of the assets or liabilities of the Bank, or which shall be in any manner calculated to advance, directly or indirectly, the objects or interests of the Bank, and to acquire and hold the shares, stocks or securities of, and to guarantee the payment of any securities issued by, or any other obligation of, any such company, or the payment of a fixed dividend on its shares.

- (J) (i) To acquire, accept and take, hold and sell either in the name of the Bank or in that of any nominee all or any shares, debentures, debenture stock, bonds, notes, obligations and securities of or in any company, society or undertaking, the objects of which shall, either in whole or in part, be similar to those of the Bank, or such as may be likely to promote or advance the interests of the Bank.
- (ii) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
- (iii) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares, stock, obligations or other securities including, without prejudice to the generality of the foregoing, all such powers of veto or control as may be conferred by virtue of the holding by the Bank of some special proportion of the issued or nominal amount thereof and to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Bank is interested upon such terms as may be thought fit.
- (iv) To carry on the business of banking aforesaid by or through the medium of companies which are subsidiaries of or otherwise under the control (direct or indirect) of the Bank, and to co-ordinate the administration of and provide services and facilities of all kinds for such companies or any of them.
- (K) To apply for and promote any charter, Act of Parliament, licence or concession for the purpose of extending or varying the objects and powers of the Bank, or altering its constitution or better enabling the Bank to carry out its objects.
- (L) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the Bank or its predecessors in business or of any company which is a subsidiary company of or allied or associated with the Bank or any such subsidiary company, or to the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their dependants or connections, and to support or subscribe to any charitable funds or institutions or any benevolent object or objects of public or general interest, the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Bank or its employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Bank or its officers or employees.
- (M) To carry out all or any of the foregoing objects as principals or agents and by or through trustees, agents or otherwise, and either in co-partnership or upon a joint account, or as a joint adventure with any corporation, person, firm or association, and in any part of the world.
- (N) To carry on any other trade or business whatever which can in the opinion of the Directors be advantageously carried on by the Bank in connection with or as ancillary to any of the above businesses or the general business of the Bank.

The objects set forth in any sub-clause of this clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the name of the Bank. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Bank shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

5. The liability of the members is limited.

***6. The capital of the Bank is £465,000,000 divided into 15,000,000 7 per cent. Cumulative Preference Shares of £1 each and 450,000,000 Ordinary Shares of £1 each.**

*The original capital was £125,000,000 divided into 15,000,000 7 per cent. Cumulative Preference Shares of £1 each and 110,000,000 Ordinary Shares of £1 each. In 1972, the authorised capital of the Bank was increased to £265,000,000 by the creation of 140,000,000 Ordinary Shares of £1 each; in 1976 the authorised capital was further increased to £315,000,000 by the creation of 50,000,000 Ordinary Shares of £1 each and in 1985 the authorised capital was increased to £465,000,000 by the creation of 150,000,000 Ordinary Shares of £1 each.

THE COMPANIES ACTS 1948 to 1981

COMPANY LIMITED BY SHARES

NEW

Articles of Association

of

National Westminster Bank Public Limited Company

(As adopted by Special Resolution passed 20th April, 1982)

TABLE A

1. The regulations in Table A in the First Schedule to the Companies Act 1948 shall not apply to the Bank except so far as the same are repeated or contained in these Articles.

Table A
excluded

PRELIMINARY

2. In these presents the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:—

Definitions

<i>Words</i>	<i>Meanings.</i>
The Bank	National Westminster Bank Public Limited Company.
The Act	The Companies Act 1948.
The Statutes	The Companies Acts 1948 to 1981 and every other Act for the time being in force amending or extending the same.
These Articles	These Articles of Association or other the Articles of Association of the Bank from time to time in force.
Register	The Register of Members to be kept as required by the Statutes.
Office	The Registered Office of the Bank.

<i>Words</i>	<i>Meanings</i>
Seal	The Common Seal of the Bank or the official seal kept by the Bank by virtue of section 2 of the Stock Exchange (Completion of Bargains) Act 1976.
Month	Calendar month.
Year	Year from 1st January to 31st December inclusive.
Paid up	Includes credited as paid up.
Dividend	Includes bonus.
Secretary	Subject to the Statutes includes any joint secretary, deputy or assistant secretary or any person appointed to perform the duties of secretary temporarily.
In writing	Written, typewritten, printed or lithographed or visibly expressed in all or any of these or any other modes of representing or reproducing words.
The United Kingdom	Great Britain and Northern Ireland, together with the Channel Islands and the Isle of Man.

Reference in these Articles to a person entitled by transmission shall in relation to a share mean the person entitled to the share by reason of the death or bankruptcy of the holder.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender and words importing persons shall include corporations and companies.

The marginal notes hereto shall not affect the construction hereof.

Save as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

Registered
Office

3. The Office shall be at such place as the Directors shall from time to time appoint.

CAPITAL

Capital and
rights of
shareholders as
to income
and capital

4. The share capital of the Bank at the date of adoption of these Articles is £315,000,000 divided into 15,000,000 7 per cent. Cumulative Preference Shares of £1 each (hereinafter called "the Preference Shares") and 300,000,000 Ordinary Shares of £1 each.

The respective rights of the Preference and Ordinary Shares in the capital of the Bank as to income and capital are as follows:—

- (A) AS REGARDS INCOME.—The profits which the Directors may determine to distribute in respect of any financial year shall be applied in the following order of priority:—
- (i) In paying to the holders of the Preference Shares a fixed cumulative preferential dividend at the rate of 7 per cent. per annum on the amount paid up thereon, such dividend to be payable by equal half-yearly instalments in February and in August in each year in respect of the six months ending on the preceding 31st December and 30th June respectively;
 - (ii) Subject to the rights of any other class of shares for the time being issued in distributing the balance amongst the holders of the Ordinary Shares according to the amounts paid up thereon.

(B) AS REGARDS CAPITAL.—On a return of capital in a winding up or otherwise the surplus assets of the Bank remaining after payment of its liabilities shall be applied in the following order of priority:—

- (i) In repaying to the holders of the Preference Shares the capital paid up on the same together with a sum equal to any arrears or deficiency of dividend in respect thereof (whether declared or undeclared) up to the date of repayment and together also by way of premium with an amount per share equal to the excess (if any) of the market value of such Preference Shares over the amount paid up thereon, such market value to be established by taking the average as certified by the Bank's Auditors of the means of the daily quotations at which the said Preference Shares shall have been quoted in the Daily Official List published by The Stock Exchange during the six months immediately preceding the relevant date, Provided that in the event of a reduction of capital involving repayment of part only of the capital paid up on the Preference Shares a proportionate part only of any such premium as aforesaid shall be payable. "The relevant date" means in the case of a compulsory winding up the commencement of the winding up and in the case of a voluntary winding up or reduction of capital the date thirty days before the despatch of the notice convening the meeting to pass the resolution for winding up or reduction of capital as the case may be. The Preference Shares shall confer no further or other right to participate in profits or assets;
- (ii) Subject to the rights of any other class of shares for the time being issued in distributing the balance amongst the holders of the Ordinary Shares according to the amounts paid up on the Ordinary Shares held by them respectively.

No shares ranking as to dividend or capital in priority to, or *pari passu* with, the Preference Shares shall be created or issued nor shall the Preference Shares be repaid in whole or part by reduction of the capital of the Bank without the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares in accordance with the Articles of Association.

MODIFICATION OF RIGHTS

5. Whenever the share capital of the Bank is divided into different classes of shares the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated (either whilst the Bank is a going concern or during or in contemplation of a winding up) with the sanction of an Extraordinary Resolution passed at a Separate Meeting of the holders of the shares of the class. To every such Separate Meeting all the provisions of these Articles relating to General Meetings of the Bank or to the proceedings thereat shall, *mutatis mutandis*, apply, except that (i) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, one person holding shares of the class or his proxy shall be a quorum), (ii) any holder of shares of the class present in person or by proxy may demand a poll and (iii) the holders of shares of the class shall, on a poll, have one vote in respect of every £1 of nominal share capital of the class held by them respectively.

Modification of
special rights
of shares

6. The special rights conferred upon the holders of any shares or class of shares issued with or having attached preferred or other special rights shall not, unless expressly provided by the terms on which the same were issued or are for the time being held, be deemed to be modified by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

7. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be varied or abrogated except with such sanction as is provided by Article 5) any share in the Bank created upon an increase of share capital may be issued with such preferred, deferred, or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Bank may from time to time by Ordinary Resolution determine.

Special rights
of new shares

Unissued shares	8. (A) The unissued shares shall not be allotted or otherwise dealt with or disposed of, nor shall any option over them be granted, except in accordance with the provisions of the Statutes.
Purchase by Bank of own shares	(B) The Bank may exercise all the powers conferred by the Statutes relating to the purchase of its own shares.
Underwriting of shares	9. The Bank may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Bank, such commission not to exceed 10 per cent. of the price at which the shares are issued or an amount equivalent thereto. Any such commission may be paid in cash or in fully paid shares of the Bank, or partly in one way and partly in the other, as may be arranged. The Bank may also on any issue of shares pay such brokerage as may be lawful.
No trust recognised	10. No person shall be recognised by the Bank as holding any share upon any trust and the Bank shall not be bound by or recognise any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles otherwise expressly provided or as by Statute required or under an order of court) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
Joint shareholders. Receipt of any one for dividends, etc., sufficient	11. If two or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share. The Bank shall not be bound to register more than four persons as the joint holders of any shares.

CERTIFICATES

Certificates	12. Every member (other than a stock exchange nominee as defined by the Stock Exchange (Completion of Bargains) Act 1976) shall be entitled without payment to one certificate for all the shares registered in his name, or, in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares so registered. On a member acquiring additional shares he shall be entitled without payment to a further certificate for such additional shares. Where a member transfers part only of the shares comprised in a certificate he shall be entitled to a certificate for the balance without charge. Every certificate shall be under the seal which shall only be affixed with the authority of the Directors. The Bank shall not be bound to issue more than one certificate in respect of any share, notwithstanding there may be more than one holder thereof. Delivery of a certificate to any one joint holder shall be sufficient delivery to all. Delivery of a certificate to the broker or agent acting in regard to the purchase or transfer of shares to which it relates shall be sufficient delivery to the purchaser or the transferee, as the case may be.
Lost, worn out or destroyed certificates	13. If any such certificate shall be defaced, worn out, lost or destroyed, it may be renewed in case of defacement or wearing out, on delivery up of the old certificate, and in case of loss or destruction upon such proof of the loss or destruction and on the execution of such Indemnity (if any) with or without security as the Directors may require. Every certificate issued under this Article shall be issued without payment, but there shall be paid to the Bank a sum equal to the costs incurred by the Bank in respect of any such indemnity and security as is referred to herein.

LIEN ON SHARES

Lien of Bank on shares	14. The Bank shall have a first and paramount lien and charge on all the shares (not being fully paid) registered in the name of a member (whether solely or jointly with others) for all moneys due to the Bank from him or his estate, either alone or jointly with any other person, whether a member or not, and whether such moneys are presently payable or not. The Bank's lien (if any) on a share shall extend to all dividends and other moneys payable in respect thereof.
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15. For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made until such time as the moneys are presently payable, and until a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such manner as the Directors shall think fit on such member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him for fourteen days after service of such notice.

Enforcement of
lien by sale
of shares

16. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due, and the residue (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares Provided always that the Bank shall be entitled to a lien upon such residue in respect of any moneys due to the Bank but not presently payable like to that which it had upon the shares immediately before the sale thereof.

Application of
proceeds of sale

17. Upon any such sale as aforesaid, the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of or be affected by any irregularity or invalidity in the proceedings or be bound to see to the application of the purchase money, and after his name has been entered in the Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Bank exclusively.

Title to shares
sold to satisfy
lien

CALLS ON SHARES

18. The Directors may, subject to the regulations of these Articles and to any conditions of allotment, from time to time make such calls upon the members and persons entitled by transmission to shares in respect of all moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) as they think fit, provided that twenty-eight days' notice at least is given of each call, and such persons shall be liable to pay the amount of every call so made at the times and places appointed by the Directors. A call may be made payable by instalments. A call shall be deemed to have been made as soon as the resolution of the Directors authorising such call shall have been passed.

Directors may
make calls

19. The holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Liability of
joint holders

20. No member shall be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a member, until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

Members may
not receive
dividends, etc.
until calls paid

21. If before or on the day appointed for payment thereof a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at the rate of 20 per cent. per annum from the day appointed for payment thereof to the time of actual payment, but the Directors shall have power to remit such interest or any part thereof.

Interest on
unpaid calls

22. Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date and any instalment of a call shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

Sums payable
on allotment
deemed a call

23. The Directors may from time to time make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

Difference
in calls

24. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon all or any of the moneys so advanced the Directors may

Payment of
calls in advance

(until the same would, but for such advance, become presently payable) pay or allow such interest (not exceeding, without the consent of a General Meeting, 5 per cent. per annum) as may be agreed upon between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would but for such payment, become presently payable.

TRANSFER OF SHARES

Form of
Instrument
of transfer

25. Subject to the restrictions of these Articles, any member may transfer all or any of his shares. Every transfer shall be in writing and in the usual common form, or in such other form as the Directors may approve, and must be left at the Office or such other place as the Directors may appoint, accompanied by the certificate of the shares to be transferred, and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

Transferor of
Shares to remain
holder until
transfer is
registered

26. The instrument of transfer of a share shall be executed by the transferor and, when the share is not fully paid, by the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. All instruments of transfer which have been registered may be retained by the Bank.

Refusal of
registration

27. The Directors may, in their discretion and without assigning any reason therefor, decline to register the transfer of any share (not being a fully paid-up share) to any person whom they shall not approve as transferee. The Directors may also decline to register any transfer of a share on which the Bank has a lien.

Notice of
refusal

28. If the Directors decline to register a transfer of any share, they shall within two months after the date on which the transfer was lodged with the Bank send to the transferee notice of the refusal.

Closing of
register

29. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

TRANSMISSION OF SHARES

Transmission on
death of member

30. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Bank as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

Registration
of executors
and others

31. Any person becoming entitled by transmission to a share may upon producing such evidence of title as the Directors shall require, and subject as hereinafter provided, either be registered himself as holder of the share, or have some person nominated by him registered as the transferee thereof.

Person electing
to be registered
to give notice

32. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Bank a notice in writing in the form prescribed by the Directors, signed by him and stating that he so elects. For all purposes of these Articles relating to the registration of transfers of shares, such notice shall be deemed to be a transfer, and the Directors shall have the same power of refusing to give effect thereto by registration as if the event upon which the transmission took place had not occurred and the notice were a transfer executed by the person from whom the title by transmission is derived.

Person electing
to have nominee
registered to
execute transfer

33. If the person so becoming entitled shall elect to have his nominee registered, he shall testify his election by signing a transfer of such share to his nominee. The Directors shall have, in respect of such transfers, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer signed by the person from whom the title by transmission is derived.

34. A person entitled by transmission to a share shall be entitled to receive any dividends or other moneys payable in respect of the share, but he shall not be entitled to receive notices of or to attend or vote at meetings of the Bank, or (save as aforesaid) to any of the rights, privileges or advantages of a member, unless and until he shall have become a member in respect of the share. The Directors may withhold the payment of dividends or other moneys payable in respect of shares to which a person is entitled by transmission until some person shall have been duly registered as holder of such shares in accordance with these Articles.

Rights of persons entitled to shares by transmission

FORFEITURE OF SHARES

35. If the holder of any share or the person entitled by transmission thereto fails to pay the whole or any instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of the call, or any instalment thereof, remains unpaid, serve a notice on him requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with any accrued interest and any expenses incurred by the Bank by reason of such non-payment.

Notice requiring payment of call

36. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which such call or instalment, or such part thereof as aforesaid, and all such interest and expenses as aforesaid, are to be paid. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call or instalment was made will be liable to be forfeited.

Contents of notice

37. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.

Forfeiture on non-compliance with notice

38. A forfeiture of shares under the preceding Article shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Forfeiture to include unpaid dividends

39. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the person whose share has been forfeited, or the person entitled by transmission to the share, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Notice of forfeiture

40. Subject to the provisions of the Statutes, every share which shall be forfeited may be sold or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and whether with or without all or any part of the amount previously paid on the share being credited as paid. The Directors may, if necessary, authorise some person to transfer a forfeited share to any such other person as aforesaid.

Disposal of forfeited shares

41. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been sold or otherwise disposed of, cancel the forfeiture upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon any further or other terms they may think fit.

Cancellation of forfeiture

42. The holder of, or the person entitled by transmission to, a share which has been forfeited shall, notwithstanding, be liable to pay the Bank all calls made and not paid on such share at the time of forfeiture, with interest thereon to the date of payment at such rate, not exceeding 20 per cent. per annum, as the Directors shall think fit, in the same manner in all respects as if the share had not been forfeited, and to satisfy all (if any) the claims and demands which the Bank might have enforced in respect of the share at the time of forfeiture without any deduction or allowance for the value of the share at the time of forfeiture.

Liability of members after forfeiture

Consequences of forfeiture

43. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and claims and demands against the Bank in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Bank except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

Title to forfeited share

44. A statutory declaration in writing that the declarant is a Director or the Secretary of the Bank, and that a share has been duly forfeited in pursuance of these Articles, and stating the date when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated, and such declaration, together with a certificate for the share delivered to a purchaser thereof, shall (subject to the execution of any necessary transfer) constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such purchase and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale or disposal of the share.

CONVERSION OF SHARES INTO STOCK**Conversion of shares into stock**

45. The Bank may, from time to time, by Ordinary Resolution, convert all or any of its paid-up shares into stock and may from time to time in like manner reconvert any such stock into paid-up shares of any denomination.

Transfer of stock

46. When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which shares can be transferred under these Articles or as near thereto as circumstances will admit. But the Directors may, if they think fit, from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, provided that the minimum shall not exceed the nominal amount of the shares from which the stock arose, and may prescribe that stock is to be divided and transferable in units of corresponding amount.

Rights of stockholders

47. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Bank and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Bank and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right, privilege or advantage.

INCREASE OF CAPITAL**Power to increase capital**

48. The Bank may from time to time by Ordinary Resolution increase its share capital by such sum divided into shares of such respective amounts as the resolution shall direct.

New shares

49. Subject to any directions that may be given in accordance with the powers contained in these Articles, all new shares shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if such shares had been part of the present share capital.

ALTERATIONS OF CAPITAL**Power to alter capital in certain ways**

50. The Bank may from time to time by Ordinary Resolution:—

- (A) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (B) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by its Memorandum of Association, subject nevertheless to the provisions of section 61 (1) (d) of the Act, and so that as between the holders of the resulting shares one or more of such shares may by the resolution by which the sub-division is effected be given preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares; or

- (C) cancel any 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.

51. The Bank may from time to time by Special Resolution reduce its share capital and any capital redemption reserve or share premium account in any manner Provided that a reduction of the capital paid up on the Preference Shares shall not be effected except with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares in accordance with Article 5.

Power to reduce capital

52. Anything done in pursuance of either of the last two preceding Articles shall be done in manner provided and subject to any conditions imposed by the Statutes, so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same, and, so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient, with power for the Directors, on any consolidation of shares, to deal with fractions of shares in any manner they may think fit, and in the event of the Directors selling any fraction the Directors may authorise some person to transfer the fraction sold to the purchaser thereof.

Alterations of capital to be made according to Statutes

GENERAL MEETINGS

53. The Bank shall in each year hold a General Meeting as its Annual General Meeting in addition to any other General Meetings in that year, and shall specify it as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Bank and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

Annual General Meeting

54. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Extraordinary General Meetings

55. The Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Statutes.

Convening of Extraordinary General Meeting

56. (A) Twenty-one clear days' notice in writing at the least of every meeting convened for the purpose of passing a Special Resolution and of every Annual General Meeting and fourteen clear days' notice in writing at the least of every other General Meeting, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such members as are under the provisions of these Articles entitled to receive notices from the Bank, and to the Auditors for the time being of the Bank. Any such notice shall be exclusive of the day upon which it is served or deemed to be served and of the day for which it is given.

Notice of meetings

(B) If at any time by reason of the suspension or any curtailment of postal services in the United Kingdom the Bank is unable effectively to convene a General Meeting by notices sent through the post and the Directors have resolved that it is necessary to do so in the Interests of the Bank, a General Meeting may (subject in the case of an Annual General Meeting to section 158 of the Act, as amended) be convened by a notice advertised on the same date in at least two leading national daily newspapers and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Bank shall send confirmatory copies of the notice by post if at least seven days prior to the date of the Meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable. Articles 128 to 132 shall have effect subject to this Article 56 (B).

57. The accidental omission to give such notice to, or the non-receipt of such notice by, any member shall not invalidate any resolution passed or proceedings at any such meeting.

Effect of accidental omission of notice

PROCEEDINGS AT GENERAL MEETINGS

58. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall also

Special business