

Company No. 26501

THE COMPANIES ACTS 1985 AND 1989

ARTICLES OF ASSOCIATION  
of  
SCOTTISH AND UNIVERSAL INVESTMENTS LIMITED

(Adopted by Special Resolution passed on 4 May 1994)

TABLE A

1. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended at the date of adoption of these Articles ("Table A") shall, subject as provided by and save where inconsistent with these Articles, apply to the Company to the exclusion of all other regulations set out in any statute or statutory instrument concerning companies.

INTERPRETATION

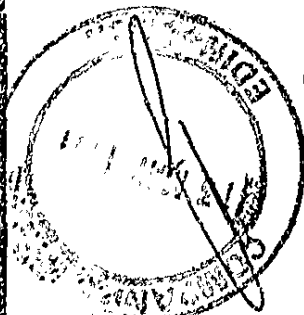
2. In these Articles unless the context otherwise requires:

"these Articles"

means these Articles of Association in their present form or as from time to time altered, including to the extent applicable to the Company the regulations contained in Table A;

"the Act"

means the Companies Act 1985 (as amended by the Companies Act 1989);



"Member"

means a Member of the Company;

"the Group"

means any group of companies of which the Company shall for the time being be a member;

Words denoting the singular shall include the plural and vice versa; words denoting the masculine shall include the feminine; words denoting individuals shall include corporations; any words or expressions defined in the Act in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such part (as the case may be);

where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution shall also be effective.

### **AUTHORISED SHARE CAPITAL**

3. The share capital of the Company is £15,000,000 divided into 722,442,925 Ordinary Shares of 1p each and 31,102,283 Deferred Shares of 25p each. The said Ordinary Shares and Deferred Shares shall confer on the holders thereof the rights and privileges and subject them to the restrictions and provisions following, namely:-

- (1) As regards income. The profits which the Company may determine to distribute in respect of any financial year shall be distributed as regards the first £40,000,000 thereof among the holders of the Ordinary Shares according to the amounts paid up on the Ordinary Shares held by them respectively and one half of the balance of the said profits shall be distributed among the holders of the Deferred Shares and the other half thereof among the holders of the Ordinary Shares according in each case to the amounts paid up on the shares held by them respectively.

- (ii) As regards capital. On a return of assets on liquidation or otherwise the assets of the Company to be returned shall be distributed as regards the first £200,000,000 thereof among the holders of the Ordinary Shares in proportion to the nominal amounts of the Ordinary Shares held by them respectively and one half of the balance of such assets shall belong to and be distributed among the holders of the Deferred Shares and the other half thereof to and among the holders of the Ordinary Shares in proportion in each case to the nominal amounts of the shares held by them respectively.
- (iii) As regards voting. On a show of hands every Member present in person shall have one vote and on a poll every holder of Ordinary Shares present in person or by proxy shall have one vote for each Ordinary Share held by him and no holder of any of the Deferred Shares shall be entitled to vote at a poll in respect of any of the Deferred Shares held by him.

#### **UNISSUED SHARE CAPITAL**

4. Subject to the provisions of the Act and these Articles and to any direction to the contrary which may be given by ordinary or other resolution of the Company, any unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Directors who may offer, allot, grant options over or grant any right or rights to subscribe for such shares or any right or rights to convert any security into such shares or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

#### **EXCLUSION OF PRE-EMPTION RIGHTS FOR EXISTING SHAREHOLDERS**

5. Sections 89(1) and 90(1) to (6) inclusive of the Act shall not apply to the Company.

## **REDEEMABLE SHARES AND PURCHASES OF OWN SHARES**

6. Subject to the provisions of the Act, the Company may (a) issue shares that are, or at the option of the Company are liable, to be redeemed; and (b) purchase its own shares including any redeemable shares.

## **TRANSFERS OF SHARES**

7. The Directors of the Company may without giving any reason therefor refuse to register the transfer of any share (whether or not fully paid).

## **GENERAL MEETINGS**

8. With the agreement of all Members, a General Meeting may be convened and held in any foreign country.
9. Any Director may call a General Meeting at any time.
10. Any Member may appoint a proxy to attend and vote on his behalf at a General Meeting of the Company. Such appointment must be in writing and shall be notified to the Company by letter, telefax or telex to arrive no later than the time given for the start of the Meeting. A proxy need not be a Member.
11. Any Member or duly authorised representative of a corporation or proxy may participate in a General Meeting of the Company by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Member or other such person thus participating shall be deemed to be present at such meeting.

## PROCEEDINGS AT GENERAL MEETINGS

12. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Whilst the Company shall have two or more Members, two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum. If the membership of the Company shall fall to one that Member or a proxy for such Member or a duly authorised representative of a corporation being such a Member shall be entitled to pass any resolution which might otherwise have been passed by the Members in general meeting.

If a quorum is not present within 5 minutes of the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall be adjourned until the same time and place on the next following business day. If at the adjourned meeting a quorum is not present within 5 minutes from the time appointed for the meeting, the Member present in person or by proxy or the duly authorised representative of a corporation shall be a quorum.

13. (a) A resolution in writing signed by a majority in number of the holders of the shares which would carry the right to vote thereon at a general meeting shall be as valid and effective as if passed at a general meeting duly held, but this Article shall not apply to a resolution which would only be effective or fully effective if passed as a special or extraordinary resolution to either of which cases Regulation 53 of Table A shall apply instead. Any such resolution in writing may consist of several documents in like form and its effective date will be deemed to be the date that the last signature is signed thereon.
- (b) Any resolution in writing (including where applicable all several documents of which it may consist) shall be entered into the Minute Book of the Company in chronological order.

- (c) In the case of a corporation a resolution in writing may be signed on its behalf by a Director or the secretary thereof or by its proxy or by its duly appointed attorney or duly authorised representative and Regulation 53 of Table A shall be extended accordingly.
- (d) If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting.
- (e) Any decision taken by a sole Member pursuant to paragraph (d) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

#### **VOTES OF MEMBERS**

- 14. Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting, on a show of hands every Member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote and on a poll every Member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for each share of which he is the holder. A proxy for a Member may speak at a general meeting.
- 15. The instrument appointing a proxy may be in any form permitted by the Directors and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the registered office of the Company (or at such other place in the United Kingdom as is specified for that purpose in the notice of meeting or any instrument of proxy sent by the Company in relation to the meeting) no later than the time appointed for holding the meeting or adjourned meeting or for taking the poll at which it is to be used.

## **DIRECTORS**

16. The minimum number of Directors shall be two and there shall be no maximum number. There shall be no shareholding qualification for Directors.

## **APPOINTMENT AND REMOVAL OF DIRECTORS**

17. Directors may be appointed or removed from office, as follows:-

- (a) the Directors may by resolution appoint further Directors either to fill casual vacancies or ~~as~~ additions to their body;
- (b) if there shall at any time be only one Director in office he may appoint one other person as a Director in order that there may be the permitted number of Directors in office;
- (c) the holder or holders of a majority in number of the shares of the Company carrying the right to attend and vote at general meetings may, by instrument in writing left at the registered office, from time to time appoint persons as Directors in addition to those already in office or to fill casual vacancies and remove any Director (howsoever appointed) from office.
- (d) the Company in general meeting may appoint persons as Directors in addition to those already in office or to fill casual vacancies, and may remove any Director (howsoever appointed) from office; and

Directors shall not be appointed or removed from office in any other manner.

18. The office of Director shall not be vacated on grounds of absence from meetings of Directors. The Directors shall not be liable to retirement by rotation and a Director appointed to fill a casual vacancy or as an additional Director shall hold office until he is removed therefrom or dies or his office is vacated.

19. No Director shall be required to retire or vacate his office or be ineligible for reappointment as a Director, nor shall any person be ineligible for appointment as a Director, by reason of his having attained any particular age and Section 293 of the Act shall not apply to the Company.

#### **ALTERNATE DIRECTORS**

20. (a) Any Director (other than an alternate Director) may appoint any person, to be an alternate Director and may remove from office an alternate Director appointed by him.
- (b) An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct. Regulation 66 of Table A shall be varied accordingly.
- (c) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Directors or of a committee of the Directors shall, unless notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- (d) Regulation 67 of Table A shall be read and construed as if the words "by rotation or otherwise" were omitted therefrom.
- (e) Regulation 68 of Table A shall be read and construed as if it continued with a second sentence as follows:  
"Such notice shall take effect on and from the date on which it is left or received at the registered office of the Company".



## **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

21. The office of a Director shall be vacated in any of the events following, namely:

- (1) if he resigns his office by notice in writing delivered to the registered office of the Company or tendered to a meeting of the Directors; or
- (2) if he becomes of unsound mind or a patient for the purposes of any statute relating to mental health and the Directors resolve that his office is vacated; or
- (3) if he becomes bankrupt or compounds with his creditors;  
or
- (4) if he is prohibited from being a Director by law or by the order of any court or tribunal of competent jurisdiction;  
or
- (5) if he is removed in accordance with Article 17.

## **DIRECTORS' PENSIONS AND OTHER BENEFITS**

22. The Directors on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities, gratuities and superannuation or other allowances and benefits in favour of any person including any Director or former Director or the relations, or dependants of any Director or former Director. A Director or former Director shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

## **BORROWING POWERS**

23. The Directors may exercise all the powers of the Company to borrow money, to give guarantees or indemnities, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject to section 80 of the Act to create and issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

## **PROCEEDINGS OF THE DIRECTORS**

24. The quorum for the transaction of the business of the Directors (as distinct from that required for a committee of Directors appointed in accordance with Article 27) shall be at least one Director and one other Director or his alternate. A resolution in writing signed by two or more Directors, being all the Directors for the time being in the United Kingdom shall be as valid and effectual as if passed at a meeting of the Directors duly convened and held. Such a resolution in writing may consist of several documents in like form and its effective date shall be deemed to be the date when the last signature is signed thereon. Every Director present at any meeting of Directors or committee of Directors shall sign his name either in a book to be kept for that purpose or on a copy of the minutes of such meeting.
25. Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
26. The Board may appoint a Chairman and determine the period for which he is to hold office. If no such Chairman is appointed or, if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present may appoint one of their number to be Chairman of the meeting.

## **COMMITTEES OF THE DIRECTORS**

27. The Directors may delegate any of their powers or discretions to committees consisting of one or more of their number and, if thought fit, one or more other persons. The Directors may provide for such other persons to have voting rights as Members of any such committee, but in that event at least one-half of the Members of the committee shall be Directors, and no resolution of the committee shall be effective unless at least one-half of the Members of the committee present when the vote is taken are Directors. Every such person who is not a Director shall declare any interest which he may have in any contract or arrangement with the Company which is under consideration by the committee and Article 29 shall apply to him as if he were a Director.

## **EXECUTIVE APPOINTMENTS OF DIRECTORS**

28. The Directors may from time to time appoint one or more of their number to be holder of any executive office with the Company (including, where considered appropriate, the office of Chairman) on such terms as to remuneration and otherwise and for such period as they may determine. Notwithstanding the terms of any contract entered into in any particular case, the Directors may at any time revoke any such appointment. The appointment of a Director to any executive office (other than that of Chairman) shall automatically determine if he ceases from any cause to be a Director.

## **INTERESTS OF DIRECTORS**

29. A Director may vote at any meeting of the Directors on any contract or arrangement in which he or any person with whom he is connected (within the meaning of Section 346 of the Act) has any interest of any kind whatsoever or on any matter arising thereout, but except to the extent that the Company in general meeting shall otherwise resolve, the foregoing provisions of this Article shall only apply to an interest of a Director (or any such connected person) arising by virtue of the Director (or such person) being a Director or employee of or holding shares or other securities in the Company or in any other body corporate which is a member of the Group, and Regulation 94 in Table A shall apply where a Director (or such

person) has any other kind of interest in any such contract or arrangement. A Director may be reckoned in the quorum of any such meeting at which any such contract or arrangement is under consideration.

30. In Regulations 53 and 93 of Table A and these Articles "writing" shall be deemed to include photocopy, telex, telefax, telegram and other methods of reproducing or communicating in writing in visible form.
31. Any Director who participates in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting (whether in person or by alternate or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors so present at such meeting shall be deemed to be present at such Meeting and shall be counted when determining a quorum.

## **DIVIDENDS**

32. The Directors or the Company in general meeting may declare dividends.

## **SEALS**

33. If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or a second Director. The Directors may by resolution determine that such signatures or either of them may be dispensed with in respect of Share Certificates or Debentures or other securities of the Company. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. In accordance with Regulation 69 of Table A, the expression "Director" or "Directors" should for the purposes inter-alia of this Article be deemed to include alternate Directors.

34. The Company may, in addition to its common seal, have made an official seal for use in any territory or place not situate in the United Kingdom, which official seal shall be a facsimile of the common seal of the Company with the addition on its face of the name of every territory, district or place where it is to be used.

#### **EXECUTION OF DEEDS UNDER HAND**

35. The Company may execute any deeds under hand by means of the signature of any two Directors or of any one Director and the Secretary.

#### **DISPOSAL OF NON-CURRENT DOCUMENTS**

36. The Company shall be entitled to destroy:-

- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of such registration;
- (b) all dividend mandates and notifications of change of address at any time after the expiry of two years from the date such mandate or notification was recorded by the Company;
- (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation; and
- (d) any other document on the basis of which any entry in the Company's Register of Members is made at any time after the expiry of 6 years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every entry in such Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so

destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

## NOTICES

37. Any notice or other document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices or by delivering it to or leaving it at such address, addressed as aforesaid. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Any notice or other document served or delivered in accordance with these Articles shall be deemed duly served or delivered notwithstanding that the Member is then dead or bankrupt or otherwise under any legal disability or incapacity and whether or not the Company had notice thereof. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or where second-class mail is employed, forty-eight hours) after the time when cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that the cover was properly addressed, stamped and posted.
38. Notice of every general meeting shall be given in any manner authorised by or under these Articles to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares which they hold, are not entitled to receive such notices from the Company Provided that any Member may in writing waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

## INDEMNITY

39. Subject to Section 310 of the Act, every Director, alternate Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties of office or otherwise in relation to his office including any liability incurred by him in defending any proceedings, civil or criminal, in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under Section 144 or 727 of the Act in which relief is granted by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution or discharge of the duties of his office or otherwise in relation to his office.
40. The Directors may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.