

Company No: 03879023

The Companies Act 1985 and 2006

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

CAPITAL ONE BANK (EUROPE) PLC ("Company")

TUESDAY



A13

\*A5HS2F8D\*

24/11/2009

COMPANIES HOUSE

268

Passed *2 November* 2009

**AT** a General Meeting of the Company, duly convened and held on *2 November* 2009, the following resolutions were duly passed as ordinary and special resolutions.

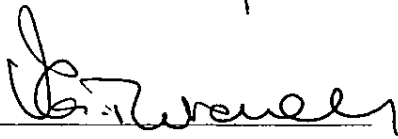
#### ORDINARY RESOLUTIONS

1. THAT, the authorised share capital of the Company be and is hereby increased from £600,000,000 to £920,000,000 by the creation of 320,000,000 new B shares of £1.00 each, having the rights and being subject to the restrictions set out in the Articles of Association of the Company adopted pursuant to the resolution numbered 4 below.
2. THAT, the Directors be and are hereby generally and unconditionally authorised in accordance with section <sup>551</sup>~~80~~ of the Companies Act <sup>2006</sup>~~1985~~ (in addition to any other authority to allot relevant securities) to exercise all the powers of the Company to allot relevant securities (within the meaning of section <sup>551</sup>~~80~~ of the Companies Act <sup>2006</sup>~~1985~~) up to a maximum nominal amount of £485,846,895 (being the nominal amount of the present authorised but unissued share capital of the Company) provided that such authority shall expire on the fifth anniversary of the date of the adoption of the Articles of Association referred to in resolution number 4 below but so that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.
3. THAT, the Directors be and are hereby authorised to enter into such documents and take such actions as they deem necessary to implement the following transactions:
  - 3.1 the repayment by the Company (in one payment or in a series of payments) of a loan from Capital One Investments Limited pursuant to an uncommitted term and revolving facilities agreement between the Company and Capital One Investments Limited dated 2 March 2006; and

- 3.2 the allotment, on a non pre-emptive basis, by the Company of up to 320,000,000 B shares of £1 each to Capital One Investments Limited.

**SPECIAL RESOLUTION**

4. THAT, the Articles of Association set out in the document produced to the meeting and initialled by the secretary of the Company for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

A handwritten signature in black ink, appearing to read 'G. Wrenley', is written over a horizontal line.

**Chairman**

**Company number: 03879023**

**The Companies Act 2006**

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**A PUBLIC COMPANY LIMITED BY SHARES**

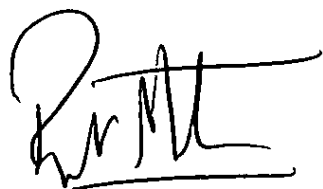
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**ARTICLES OF ASSOCIATION  
of  
CAPITAL ONE BANK (EUROPE) plc**

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(As adopted by Special Resolution dated 2 November 2009)



**RUPERT MACINNES**

*Company Secretary.*



COMPANIES HOUSE

# **The Companies Act 2006**

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## **A PUBLIC COMPANY LIMITED BY SHARES**

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### **ARTICLES OF ASSOCIATION**

**of**

#### **CAPITAL ONE BANK (EUROPE) PLC**

(As adopted by Special Resolution dated 2 November 2009)

### **INTERPRETATION**

1. In these articles:

1.1 the "**Act**" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

the "**articles**" means the regulations set out herein whether as originally adopted or as from time to time altered by special resolution which comprise the articles of the Company;

"**B Shares**" means the B ordinary shares of £1 each in the capital of the Company having the rights set out in these articles;

"**Companies Act 2006**" means the Companies Act 2006 (as amended from time to time);

"**Company**" means Capital One Bank (Europe) plc;

"**connected**" in relation to a director of the Company, has the meaning given in section 252 of the Companies Act 2006;

"**clear days**" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"**communication**" means the same as in the Electronic Communications Act 2000;

**"directors"** the directors for the time being of the Company or any of them duly acting as the board of directors of the Company;

**"electronic form"** has the meaning given in section 1168 of the Companies Act 2006;

**"executed"** includes any mode of execution;

the **"Financial Services and Markets Act"** means the Financial Services and Markets Act 2000 including any statutory modification or re-enactment thereof or any regulations, statements, notices and guidance notes issued thereunder for the time being in force;

**"Group"** means the Company and its subsidiaries;

**"hard copy"** and **"hard copy form"** have the meaning given in section 1168 of the Companies Act 2006;

the **"holder"** in relation to shares means the member whose name is entered into the register of members as the holder of the shares;

**"member"** has the meaning given in section 112 of the Companies Act 2006 and includes, where relevant and subject to section 145 of the Companies Act 2006 and to the provisions of these articles, any person nominated in accordance with these articles to enjoy or exercise a member's rights in relation to the Company;

**"office"** means the registered office of the Company;

**"ordinary resolution"** has the meaning given in section 282 of the Companies Act 2006;

**"Ordinary Shares"** means the ordinary shares of £1 each in the capital of the Company having the rights set out in these articles;

**"Regulator"** means the Financial Services Authority or any other body or organisation having regulatory authority over the Company;

the **"seal"** means the common seal of the Company;

**"secretary"** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**"shares"** means the Ordinary Shares and the B Shares;

**"special resolution"** has the meaning given in section 283 of the Companies Act 2006;

**"Statutes"** means the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;

the **"United Kingdom"** means Great Britain and Northern Ireland;

**"in writing"** means hard copy form or to the extent agreed (or deemed to be agreed by a provision of the Statutes) electronic form.

- 1.2 Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.
- 1.3 No regulations contained in any statute or subordinate legislation, including but not limited to regulations contained in Table A in the schedule to the Companies (Table A to F) Regulations 1985 (as amended), shall apply as the regulations or articles of association of the Company.

#### **SHARE CAPITAL**

2. The authorised share capital of the Company at the date of adoption of these articles is £920,000,000 divided into 600,000,000 Ordinary Shares and 320,000,000 B Shares.

#### **RIGHTS ATTACHING TO SHARES**

3. Save as set out in this **Article 3**, the Ordinary Shares and B Shares shall rank pari passu in all respects.

##### **3.1 Voting**

3.1.1 The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and each holder of Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote each for every Ordinary Share of which he is the holder.

3.1.2 The holders of the "B" Shares shall not be entitled to receive notice of or to attend, speak or vote at any general meetings of the Company.

##### **3.2 Dividends**

Subject to the Statutes, the directors of the Company shall have absolute discretion as to:

3.2.1 whether to declare any interim dividend or recommend any final dividend in favour of the holders of the Ordinary Shares and/or the holders of the B Shares; and

3.2.2 the amount of any such dividend which is declared or recommended.

### 3.3 **Capital**

On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Ordinary Shares and the B Shares (pari passu as if they constituted one class of share) in proportion to the numbers of Ordinary Shares and B Shares held by them respectively.

## **ALLOTMENT OF SHARES**

### 4.

4.1 The directors are authorised to allot, grant options over, or otherwise deal with or dispose of any relevant equity securities (as defined by section 560 of the Act) to such persons at such times and on such terms as they think fit and in accordance with the Financial Services and Markets Act. This authority extends to the authorised share capital at the date of adoption of these articles and will expire on the fifth anniversary thereof.

4.2 The directors may, after the expiry of the said five-year period, allot shares in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time be renewed, varied or revoked by an ordinary resolution of the Company.

4.3 Section 561(1) of the Act shall not apply to any allotment of shares made by the directors pursuant to the authority conferred upon them either by these articles or the resolution adopting these articles.

5. Subject to the provisions of the Act and the Financial Services and Markets Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

6. Subject to the provisions of the Act and the Financial Services and Markets Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the articles.

7. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

### **SHARE CERTIFICATES**

9. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
10. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

### **LIEN**

11. The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any holder or joint holders for all moneys presently payable by such holder or any such joint holder or his estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to all dividends payable thereon and any other amounts payable in respect of it.
12. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has



been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

13. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
14. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALL ON SHARES AND FORFEITURE**

15. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
16. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest of the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
19. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.

20. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
21. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
22. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
23. Subject to the provisions of the Act and the Financial Services and Markets Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
24. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
25. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## **TRANSFER OF SHARES**

26. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
27. The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the Company has a lien and shall also refuse to transfer of a share to a person requiring approval under the Financial Services and Markets Act or otherwise by law and for which sufficient approval has not previously been so obtained for the same. They may also refuse to register a transfer unless:
  - 27.1 it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - 27.2 it is in respect of only one class of shares; and
  - 27.3 it is in favour of not more than four transferees. The directors shall have an absolute right, without assigning any reason therefor, to refuse to register the transfer of any shares (whether fully paid or not).
28. If the directors refuse to register a transfer of a share, they shall within two months after the date of which the transfer was lodged with the Company sent to the transferee notice of the refusal.
29. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
30. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
31. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

## **TRANSMISSION OF SHARES**

32. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall subject to the Financial Services and Markets Act be the only persons recognised by the Company as having any title to his interest; but

nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which has been jointly held by him.

33. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require and subject to the Financial Services and Markets Act, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
34. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

#### **ALTERATION OF SHARE CAPITAL**

35. The Company may, subject to the Financial Services and Markets Act, by ordinary resolution:
  - 35.1 increase its share capital by new shares of such amount as the resolution prescribes;
  - 35.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 35.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
  - 35.4 cancel 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.
36. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the share representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act and the Financial Services and Markets Act, the Company) and distribute the net proceeds of sale

in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

37. Subject to the provisions of the Act and the Financial Services and Markets Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

### **PURCHASE OF OWN SHARES**

38. Subject to the provisions of the Act and the Financial Services and Markets Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private Company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

### **GENERAL MEETINGS**

39. All general meetings other than annual general meetings shall be called general meetings.
40. The directors, or the Chairman may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting for a date not later than eight weeks after receipt of the requisition (without prejudice to the requirements of regulation 40). If there are not within the United Kingdom sufficient directors to call a general meeting any director or any member of the Company may call a general meeting.

### **NOTICE OF GENERAL MEETINGS**

41. An annual general meeting shall be called by at least twenty-one clear days' notice. All other general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- 41.1 in the case of an annual general meetings, by all the members entitled to attend and vote thereat; and
- 41.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than such percentage in nominal value of shares giving that right as the Act may prescribe at the time such meeting is held.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. Subject to the provisions of the articles and to

any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

- 42. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 43. Subject to any requirement of the Statutes, the Company may send any documents or notices to its members in hard copy form or electronic form.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 44. No business shall be transacted at any meeting unless a quorum is present. If and for so long as the Company has only one member, that member or the proxy for that member or, where that member is a corporation, its duly authorised representative, shall be a quorum at any general meeting of the Company or of the holders of any class of shares of the Company. Otherwise persons holding the majority of shares 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.
- 45. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed from the meeting the meeting shall be dissolved.
- 46. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 47. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 48. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 49. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time

and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

50. A resolution put to the vote of a meeting shall be decided, subject to the provisions of the Act, on the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the business to be transacted

50.1 by the chairman; or

50.2 by at least two members having the right to vote at the meeting; or

50.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

50.4 by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

50.5 by any member present in person or by proxy and entitled to vote;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

51. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

52. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

53. A vote shall be taken as the chairman directs and he may fix a time and place for declaring the result of the vote, and may appoint a committee to determine the number of shares represented at the meeting by members in person or by proxy. The Chairman shall appoint such a committee on the demand of the members of not less than ten per cent of the Shares represented at the meeting are entitled to vote.

54. In the case of an equality of votes the chairman shall not be entitled to a casting vote in addition to any other vote he may have.
55. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. If a resolution in writing is described as a special resolution, it shall take effect accordingly. For the purposes of these regulations, provided the same is not contrary to the Financial Services and Markets Act, a resolution expressly approved in an electronic mail transmission from a member to the Company shall be deemed to be a resolution in writing and to have been executed by such member.

### **VOTES OF MEMBERS**

56. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote shall have one vote for every share of which he is the holder.
57. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
58. Provided the same is not contrary to the Financial Services and Markets Act, a member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
59. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.



60. Subject to the provisions of the Financial Services and Markets Act, no objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Subject to the provisions of the Financial Services and Markets Act, any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

61. Votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasions.

62. The appointment of a proxy may be in any usual form which the directors may approve and may also be in either of the following forms:

62.1 " PLC

I/We, , of , being a member/members of the above-named Company, hereby appoint , of or failing him, of, , as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/general meeting of the Company to be held on 20 , and at any adjournment thereof.

Signed on 20 .", or

62.2 " PLC"

I/We, of , being a member/members of the above-named Company, hereby appoint , or failing him, of, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/ general meeting of the Company to be held on 20 , and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows :

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against

\*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of 20 ."

63. The appointment of a proxy shall be executed by or on behalf of the appointer.

64. The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

64.1 in the case of an instrument in writing be deposited at or sent by post or by facsimile transmission to the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours or such shorter period as the directors may allow before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

64.2 in the case of an appointment contained in an electronic form where an address has been specified for the purpose of receiving communications in electronic form:

64.2.1 in the notice convening the meeting, or

64.2.2 in any instrument of proxy sent out by the Company in relation to the meeting, or

64.2.3 in any invitation contained in an electronic form to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours after it is demanded, deposited or received as aforesaid after the poll has been demanded and not less than 24 hours or such shorter period as the directors may allow before the time appointed for the taking of the poll; or

where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this regulation and the next, "address", in relation to communications in an electronic form, includes any number or address used for the purposes of such communications.

65. In calculating the time periods in **Article 64** no account shall be taken of any part of a day that is not a working day.

66. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the

authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited or where the appointment of the proxy was contained in an electronic form, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointment for taking the poll.

#### **NUMBER OF DIRECTORS**

67. The number of the directors shall be determined by ordinary resolution of the Company but unless and until so fixed the maximum number of directors shall be twenty-five and the minimum number of directors shall be five. If the number of directors at any time falls below the minimum number specified in these regulations the remaining directors notwithstanding this requirement, shall be entitled to continue to exercise all the powers of the directors of the Company for a period of up to six months.

#### **ALTERNATE DIRECTORS**

68. Any director (other than an alternate director) may appoint any other director or, subject to the provisions of the Financial Services and Markets Act, any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
69. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom. an alternate director may act to represent more than one director. An alternate director acting to represent more than one director or who himself is a director shall be entitled to one vote for every director who he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purposes of determining whether a quorum is present.
70. An alternate director shall cease to be an alternate director if his appointor ceased to be a director; but if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

71. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.

#### **MISSING FROM ORIGINAL**

72. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### **POWERS OF DIRECTORS**

73. Subject to the provisions of the Act, the memorandum and the articles and to any directors given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given the powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
74. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine including authority for the agent to delegate all or any of his powers.

#### **DELEGATION OF DIRECTORS' POWERS**

75. The directors may by board resolution delegate any of their powers to any of the following committees consisting of one or more persons (who, to the extent provided below, need not be directors of the Company):

75.1 Executive Committee

The directors may, by a resolution passed by a majority of the whole of the board of directors designate as an Executive Committee three directors, one of whom shall be the Chairman of the board of directors, who shall also be the Chairman of the Executive Committee, during the interim period between board meetings shall have and may exercise all of the authority of the board of directors except authority to approve an amendment to the Memorandum of Association or to propose a merger. Notice of meetings of the Executive Committee shall be given also to the board of directors. In the event that any director designated as a member of the Executive Committee shall be unable to attend a meeting of the Executive Committee, any director not so designated may be requested to attend by the Chairman as a substitute for the absent

director, and when so in attendance, shall be deemed for all purposes a duly elected member of the Executive Committee

#### 75.2 Audit Committee

The directors may by a resolution passed by a majority of the whole of the Board designate as an Audit Committee at least two (2) non-executive members, of whom one will chair the committee. All the members of the Audit Committee shall, save to the extent provided below in this regulation, be non-executive directors who are independent of the day-to-day management of the Company. Members of the audit committee of any holding company that directly or indirectly owns 80% or more of the voting securities of the Company may, with the sanction of the board of directors of the Company, serve as members of the Audit Committee of the Company, so long as such members are independent of the day-to-day management of the Company and such holding company. The audit committee of such holding company may perform all the duties of the Audit Committee of the Company, whether or not such holding Company directors are directors of the company. The Audit Committee shall have the duties specified in its charter for the time being (as approved by such Committee and the Board of directors of the Company).

#### 75.3 Compensation Committee

The directors may by a resolution passed by a majority of the whole of the Board designate as a Compensation Committee such number of directors (subject as provided below in this regulation) as the Board shall think fit of which one will chair the Committee. The Committee shall be charged with the review and/or approval of the Company's officer, salary, bonus, incentive and other employee benefit programs for the employees of the Company and with such other matters are the Board shall determine. It shall also be charged with reviewing senior management's plans and recommendations with regard to management succession not less than once every financial year of the Company. Members of the compensation committee of any holding company that directly or indirectly owns 80% or more of the voting securities of the Company may, with the sanction of the board of directors of the Company, serve as the Compensation Committee of the Company. The compensation committee of such holding company may then perform all the duties of the Compensation Committee of the Company whether or not such holding company directors are directors of the Company.

#### 75.4 Other committees

Subject to the Financial Services and Markets Act, the board of directors may be resolution passed by the majority of the directors present at a meeting at which a quorum is present, designate any other committees consisting of such

directors, officers, or employees of the Company, or others, who shall advise the officers on matters relating to the specific fields for which they are appointed and shall otherwise have the duties specified in the board resolution authorising their appointment.

**75.5 Proceedings of the Committees**

Meetings of Committees shall be held at such times and places as the Committee in question determines or otherwise as the chairman of the Committee determines or otherwise as the chairman of the Board of directors determines. To the extent these regulations provide for a particular appointee or officeholders to be chairman of a Committee, if no such person then holds such appointment or office, the board of directors of the Company may, or if it shall not do so the committee in question may, determine which of its members shall be chairman of that committee for the time being. Meetings of committees may be conducted by means of video-conferences, telephones, or similar communications equipment and a written record shall be made of the action taken at such meetings.

76. Subject to the Financial Services and Markets Act, the Board of directors may by resolution passed by the majority of the directors present at a meeting of the Board at which a quorum is present also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered by the Board of directors. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying. Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, or authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

**APPOINTMENT AND RETIREMENT OF DIRECTORS**

77. The directors shall be appointed at the Annual General Meeting of the members or as soon as practicable thereafter and shall hold office until the next Annual General Meeting of the members and until their successors shall have been elected, subject to satisfying the requirements of the Financial Services and Markets Act.
78. Any provision of the Act which, subject to the provisions of these regulations, would have the effect of rendering any person ineligible for appointment as a director or liable to vacate office as a director on account of his having reached

any specified age or of requiring special notice of any other special formality in connection with the appointment of any director over a specified age, shall not apply to the Company.

- 79. The Company may by ordinary resolution appoint a person who is willing to act to be a director to fill a vacancy, subject to satisfying the requirements of the Financial Services and Markets Act.
- 80. A member or members holding majority nominal value of the issued shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as director or directors, to fill any vacancy, and to remove from office any director howsoever appointed, subject to satisfying the requirements of the Financial Services and Markets Act. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same, or in the case of a member being a Company signed by one of its directors on its behalf and may consist of several documents in like form and shall take effect upon lodgement at the office of the Company.
- 81. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors and subject to satisfying the requirement of the Financial Services and Markets Act.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 82. The office of a director shall be vacated if:
  - 82.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director or any Regulator indicates that it does not consider him a fit and proper person to continue to be a director of the Company; or
  - 82.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 82.3 he is, or may be, suffering from mental disorder and either :-
    - 82.3.1 he is admitted to hospital in pursuance of any application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - 82.3.2 an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his

detention or for the appointment of a receiver, curator, bonis or other person to exercise powers with respect to his property or affairs; or

- 82.4 He resigns his office by notice to the Company; or
- 82.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
- 82.6 he is removed from office by notice addressed to him at his last-known address and signed by all the other directors.

#### **REMUNERATION OF DIRECTORS**

- 83. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### **DIRECTORS' EXPENSES**

- 84. The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

#### **DIRECTORS' AUTHORISATION OF SITUATIONS**

##### **IN WHICH A DIRECTOR HAS AN INTEREST**

- 85.
  - 85.1 The directors may, subject to the provisions of this **Article 85**, at any time authorise a director to be involved in a situation in which the director has or may have a direct or indirect interest which conflicts or may conflict with the interests of the Company ("**a conflict of interest**") provided that:
    - 85.1.1 in the case of a proposed appointment of a person as a director, the directors authorise the conflict of interest before or at the time the director is appointed to office;
    - 85.1.2 the director subject to the conflict of interest or any other interested director shall not vote and shall not be counted in the quorum in respect of the authorisation given under this **Article 85** and if he or any other interested director does vote, those votes shall not be counted;



- 85.1.3 the directors may in their absolute discretion impose such terms or conditions on the grant of the authorisation as they think fit;
- 85.1.4 a director will not be in breach of his duty under sections 172,174 and 175 of the Act or the authorisation given by this **Article 85** by reason only that he receives confidential information from a third party relating to the conflict of interest which has been authorised by this **Article 85** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs and neither will he be in breach of his duty under the said section 175 for anything done or omitted to be done by him in accordance with the provisions of **Articles 87** or **88**; and
- 85.1.5 where approval to a transaction which falls within Chapter 4 of Part 10 of the Act is given by members in accordance with that Chapter further authorisation for that transaction by the directors under this **Article 85** is not necessary.
- 85.2 For the purposes of this **Article 85**, 'conflict of interest' includes a conflict of interest and a conflict of duties.

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

86. Subject to the provisions of the Act and the Financial Services and Markets Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director of his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.
87. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- 87.1 may be party to, or otherwise interest in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 87.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

- 87.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
88. For the purposes of **Articles 85 and 97**:
- 88.1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- 88.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of him; and
- 88.3 an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

#### **DIRECTORS' GRATUITIES AND PENSIONS**

89. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **PROCEEDINGS OF DIRECTORS**

90. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom unless such director has given the Company a contract address, facsimile number or electronic mail address for such purpose. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.

91. The quorum for transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be a majority of the directors provided that the number of directors who are from time to time entitled to receive notice of a meeting of the directors shall (if less than the number otherwise constituting a quorum) constitute a quorum for the transaction of business at any meeting of the directors unless such number is nil in which case the quorum for the transaction of business at any meeting of directors shall be one. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum in accordance with **Article 69** above.
92. For the purpose of determining whether the quorum for the transaction of the business of the board exists:
- 92.1 in the case of a resolution agreed by directors in telephonic communications, all such directors shall be counted in the quorum;
- 92.2 in the case of a meeting of directors, in addition to the directors present at the meeting, any director in telephonic communication with such meeting shall be counted in the quorum; and
- a director participating in this way shall be deemed to be present in person at the meeting and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of directors shall be for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. A written record shall be made of the action taken at such meetings.
93. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
94. The directors shall appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. If there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
95. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any

of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

96. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
97. Subject to **Article 99**, a director may vote as a director in regard to any matter in which he has, directly or indirectly, an interest or duty which conflicts or may conflict with the interests of the company or upon any matter arising therefrom provided such director has disclosed to the directors the nature and extent of any such interest or duty. If he shall so vote his vote shall be counted and he shall be counted in the quorum when any such matter is under consideration.
98. For the purposes of **Article 97** interests of a person connected with the director are aggregated with the director's interest but interests in shares or debentures or other securities of or connected with the Company are to be disregarded.
99. A director shall not vote as a director or be counted in the quorum on any resolution:
- 99.1 concerning his own appointment as the holder of any office or employment with the Company or any company in which the Company is interested including fixing or varying the terms, or the termination of, his appointment; or
- 99.2 where the terms of authorisation of any conflict or potential conflict of interest pursuant to **Article 85** provide that the director may not vote in such situation.
- 100.
- 100.1 No third party dealing with the Company shall be concerned to see or enquire whether any director has an interest in any dealings between itself and the Company which ought to be disclosed by that director or whether such interest has been disclosed and shall be entitled to assume, in the absence of express notice to the contrary, that all directors of the Company have complied with the relevant provisions of the Act.
- 100.2 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

- 100.3 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
- 100.4 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 100.5 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### **SECRETARY**

101. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### **MINUTES**

102. The directors shall cause minutes to be made in books kept for the purpose:
- 102.1 of all appointments of officers made by the directors; and
- 102.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### **THE SEAL**

103. It shall not be necessary for the Company to have a seal. Should the Company have a seal, then the seal shall only be used by the authority of the directors or of a committee of directors authorised by the 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 by a second director.

## **DIVIDENDS**

104. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by the directors.
105. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividends as well as on shares which confer preferential rights with regard to dividends but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
106. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid upon the shares on which the dividend is paid. Dividends may be declared and paid on one class of shares only. All dividends shall be apportioned and paid proportionately to the amounts paid upon the relevant shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
107. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
108. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing

direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of their share.

- 109. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
- 110. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

### **ACCOUNTS**

- 111. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

### **CAPITALISATION OF PROFITS**

- 112. The directors may with the authority of an ordinary resolution of the Company:-
  - 112.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any such standing to the credit of the Company's share premium account or capital redemption reserve;
  - 112.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
  - 112.3 make sure provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
  - 112.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled

upon such capitalisation, any agreement made under such authority being binding on all such members.

### **NOTICES**

113. Subject to the provisions of the Statutes, any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing. Communication by facsimile transmission or electronic mail shall be deemed to be in writing.
114. The Company may give any notice to a member either personally or by sending it by post in the prepaid envelope or by facsimile transmission or electronic mail addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
115. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
116. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
117. Proof that an envelope containing a notice was properly addressed, pre-paid and posted or that a facsimile transmission, telex or electronic mail message was despatched to the correct facsimile or telex number or electronic mail address shall be conclusive evidence that the notice was given. A notice sent by post shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted. A notice sent by facsimile transmission, telex or electronic mail message shall be deemed to be served or given when sent.
118. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.



## **WINDING UP**

119. If the Company is wound up, the liquidator may, subject to the requirements of law and any regulatory body by which the Company is bound and with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act divide among the members in specie the whole or any part of the asset of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, subject as aforesaid, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

## **INDEMNITY AND INSURANCE**

120. Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, alternate director, former director, Secretary or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office as a director of the Company for any other member of the Group, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director and any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the Act provided that such indemnity shall not apply in respect of any liability incurred by such director or former director:

120.1.1 to any member of the Group; or

120.1.2 to pay a fine imposed in criminal proceedings; or

120.1.3 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or

120.1.4 in defending any criminal proceedings in which he is convicted; or

120.1.5 in defending any civil proceedings brought by any member of the Group; or

- 120.1.6 in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely
- (a) section 661(3) or (4) of the Act; or
  - (b) section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct).
- 120.2 The directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, alternate director, former director, Secretary or other officer of the Group against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Group, including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, Secretary or other officer of the Group.
- 120.3 Subject to the provisions of, and so far as may be permitted by, the Act, the Company shall be entitled to fund the expenditure of every director, alternate director, former director, Secretary or other officer of the Company incurred or to be incurred:
- 120.3.1 in defending any criminal, civil or regulatory proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by such director, Secretary or other officer in relation to the Group or any associated Company; or
  - 120.3.2 in connection with any application under section 1157 of the Act or section 661(3) or (4) of the Act
- provided that any director or alternate director will be obliged to repay such amounts no later than:
- 120.3.3 in the event of the director being convicted in the proceedings, the date when the conviction becomes final; or
  - 120.3.4 in the event of judgment being given against him in proceedings, the date when the judgment becomes final; or
  - 120.3.5 in the event of the court refusing to grant him relief on the application, the date when the refusal of relief becomes final.
- 120.4 For the purposes of this **Article 120** the reference to any conviction, judgement or refusal of relief is a reference to the final decision in proceedings. A conviction, judgement or refusal of relief becomes final:
- 120.4.1 if not appealed against, at the end of the period for bringing an appeal; or

120.4.2 if appealed against, at the time when the appeal (or any further appeal) is disposed of (ie if it is determined and the period for bringing a further appeal has ended or if it is abandoned or otherwise ceases to have effect).

**Name and Address of Subscriber**

Temple Secretaries Limited  
788-790 Finchley Road  
London NW11 7TJ  
Company Secretary

Dated 10 November 1999

Witness to above signature  
Anna Kahan  
788-790 Finchley Road  
London NW11 7TJ  
Consultant

**Capital One Bank (Europe) Limited  
(Company Number: 03879023) (the "Company")**

**Please note that pursuant to section 28 of the Companies Act 2006 clauses 1 to 6 of the Company's memorandum of association are now deemed to fall part of the Company's articles of association.**

**THE COMPANIES ACT 1985 AND 1989**  
**A PUBLIC COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**CAPITAL ONE BANK (EUROPE) PLC**

1. The name of the Company is Capital One Bank (Europe) plc.<sup>1</sup>
2. The Company is to be a public limited company.<sup>2</sup>
3. The registered office of the Company will be situate in England and Wales.
4. The Company's objects are:
  - 4.1 to carry on the business of a bank, in all its forms. This includes all financial transactions, and any other business carried on, now or in the future, by banks in any part of the world, or by merchant banks, financiers, or other similar financial businesses. It also includes:
    - 4.1.1 borrowing, raising and taking in money in any way;
    - 4.1.2 lending or advancing money, securities or other property (with or without taking security);
    - 4.1.3 issuing, subscribing for, guaranteeing that any person will subscribe for, any kind of underwriting, buying, selling, discounting, holding, guaranteeing, transferring and dealing with the following, relating to any person:
      - 4.1.3.1 obligations;
      - 4.1.3.2 instruments (whether negotiable or not); or
      - 4.1.3.3 securities;
    - 4.1.4 granting and issuing letters of credit and negotiable instruments'
    - 4.1.5 dealing in any kind of commodities or other physical things;
    - 4.1.6 receiving cash, securities and any kind of valuables on deposit, or for safe keeping, or in any other way;

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<sup>1</sup> The name of the Company was changed from Stormfield Systems Limited to Capital One Financial Services plc on 20 June 2000, and from Capital One Financial Services plc to Capital One Bank (Europe) plc on 14 July 2000.

<sup>2</sup> The Company passed a resolution on 20 June 2000 to approve its re-registration as a public limited company.

- 4.1.7 collecting and transmitting money and securities;
  - 4.1.8 managing property; and
  - 4.1.9 any agency business commonly carried on by bankers.
- 4.2 To guarantee the payment of any money, or the discharge or performance of any obligation of any kind, by any person, and to give, and take, counter-guarantees.
- 4.3 To do any of the following (alone or with others):
  - 4.3.1 to act as any kind of trustee (including a custodian trustee);
  - 4.3.2 to act as the person representative of anyone's estate after their death;
  - 4.3.3 to act as a trustee of any securities;
  - 4.3.4 to act as receiver or treasurer, or as a trustee for a receiver or treasurer;
  - 4.3.5 to act as manager or trustee of any unit trust, or investment trust;
  - 4.3.6 to issue any type of charge card, credit card, debt card, payment card, or any other type of card issued by, or for, any bank, and to carry on any business relating to any of these cards;
  - 4.3.7 to keep any register, record or account relating to any securities or funds; and
  - 4.3.8 to carry out any duties relating to securities or funds, including registering transfers and issuing certificates.
- 4.4 To take any action (including accepting any kind of obligation) which may:
  - 4.4.1 uphold, or support the credit of the Company;
  - 4.4.2 obtain, maintain or restore public confidence; or
  - 4.4.3 avoid or minimise financial disturbances which are affecting, or may affect, the Company's business, either directly or indirectly.
- 4.5 To acquire any property, business or rights which appear to be necessary or convenient for the Company's purpose, or which contribute to the Company's interests.

- 4.6 To sell, mortgage, develop, lease, improve and operate or use any property, business or rights belonging to the Company, or which the Company may be interested in.
- 4.7 To accept any securities, or other obligations, or any company in consideration for any property which has been, or may be, let, sold, or disposed of in any other way, or in consideration for any services which have been, or may be provided.
- 4.8 To share profits, merge, enter into a joint venture, amalgamate, or co-operate with any person who carries on, or purposes to carry on, any business within the Company's objects, and to acquire and hold any securities of any such company.
- 4.9 To form, or promote, or be involved in forming or promoting, any company whose objects:
  - 4.9.1 include carrying on any business which the Company is authorised to carry on;
  - 4.9.2 include acquiring, or taking over, any of the Company's assets or liabilities; or
  - 4.9.3 may in any way advance the objects or interests of the Company, either directly or indirectly.
- 4.10 To acquire and hold the securities of any company referred to in clause 4.9, or of any other person, and to guarantee any payment on any securities issued by any such company, or any other obligation of any such company.
- 4.11 To acquire in any way, hold and sell any securities of any person whose objects are, either wholly or partly, similar to the Company's, or which may promote or advance the Company's interests. The securities can be acquired either alone, or in any syndicate. The securities can be held in the Company's name, or in the name of a nominee.
- 4.12 To exercise and enforce all rights and powers given by, or connected with, the ownership of any of the securities referred to in clause 4.11, including any powers of veto or control which the Company has by holding a particular proportion of the securities.
- 4.13 To provide managerial and other executive, supervisory and consultancy services, on any terms, for any company which the Company is interested in, or which relate to any such company.
- 4.14 To carry on any business or activity which is within the Company's objects or powers by or through subsidiary companies, or companies which are controlled, either directly or indirectly, by the Company. And to co-ordinate the



administration of any of these companies, and provide all kinds of services and facilities for any or all of them.

- 4.15 To apply for, and promote, any charter, statute, regulation, licence or concession, and to ask for any action or authorisation from any person anywhere in the world who has legislative or regulatory powers in order to:
- 4.15.1 extend or vary the Company's objects and powers;
  - 4.15.2 alter the Company's constitution; or
  - 4.15.3 enable the Company to carry out its objects better.
- 4.16 To award pensions, allowances, gratuities and bonuses to past or present officers and employees (including their dependants and people connected with them) of any of the following companies:
- 4.16.1 the Company;
  - 4.16.2 any predecessors of the Company;
  - 4.16.3 any company which is a subsidiary of the Company;
  - 4.16.4 any company which is allied to or associated with the Company; or
  - 4.16.5 any Company which is allied to or associated with the Company's subsidiaries.
- 4.17 To set up and maintain, or be involved in any other way with setting up and maintaining, trusts, funds or schemes (whether contributory or non-contributory) intended to provide pensions, or other benefits, for any of the people referred to in clause 4.16.
- 4.18 To support, or subscribe to, any charitable funds or institutions, or any benevolent schemes or projects of public or general interest, where the Directors consider that the Company's support may be likely to benefit the Company, or its employees, directly or indirectly.
- 4.19 To set up and maintain any club or other establishment, or any profit-sharing scheme which is intended to advance the interests of the Company, or of the Company's officers or employees.
- 4.20 To carry out any of the objects set out in clauses 4.1 to 4.19 as principal or agent, or by or through trustees, or agents, or in any other way. This can be done in partnership or on a joint account, or as a joint venture with any person. The objects can be carried out in any part of the world.

4.21 To take out and renew insurance for, or for the benefit of, any people who are or were at any time Directors, officers or employees of:

4.21.1 the Company, or any holding company of the Company;

4.21.2 any company which the Company, or any holding company of the Company, has any kind of direct or indirect interest in;

4.21.3 any company which any of the predecessors of the Company, or of any holding company of the Company, had any kind of direct or indirect interest in;

4.21.4 any company which the Company is allied to, or associated with; or

4.21.5 any subsidiary of any company referred to in clause 4.21.

This insurance can include insurance against any liability which any of the people referred to in clause 4.21 have:

4.21.6 as a result of anything they do, or do not do, in carrying out or trying to carry out their duties, or using or trying to use their powers in relation to the Company, or any of the other companies or subsidiaries which are referred to in clause 4.21; or

4.21.7 in any other way in connection with their duties, powers or posts in relation to the Company, or any of the other companies or subsidiaries which are referred to in clause 4.21.

4.22 To take out and new insurance for, or for the benefit of, any trustees of any pension fund which the Company's employees, or employees of any other company referred to in clause 4.21, are interested in. This insurance can include insurance against any liability referred to in clause 4.21 in relation to their duties as trustees of any such pension funds.

4.23 To indemnify, or exempt, any of the people referred to in clauses 4.21 and 4.22 in any other way against, or from, any liability referred to in those clauses, so far as the law allows.

4.24 To carry on any other trade or business whatever which may, in the Directors' opinion, be advantageously carried on by the Company in connection with, or incidental to, any of the businesses referred to in clause 4.1 to 4.23, or the general business of the Company so far as law allows.

4.25 The objects set out in clauses 4.1 to 4.24 are not to be interpreted narrowly. The widest interpretation possible shall be given to them. Unless the context expressly requires it, clauses 4.1 to 4.24 will not be in any way limited to, or restricted in any way by:

- 4.25.1 any other object, or objects, set out in any clause;
  - 4.25.2 the terms of any other clause; or
  - 4.25.3 the use by the Company of the name Capital One Bank or any other name.
- 4.26 None of clauses 4.1 to 4.24 shall be treated as subordinate or incidental to any clause. This also applies to the objects stated in clauses 4.1 to 4.24, and the powers given by those clauses. But the Company will have full power to use any of the powers, and to achieve, or to try to achieve, any of the objects, which are set out in any one or more of the clauses.
- 4.27 The following interpretation rules apply to clause 4:
- 4.27.1 any examples do not restrict the width or meaning of the object or objects which they related to;
  - 4.27.2 **Acquire** means to acquire in any way, including purchasing, taking on lease or in exchange, hiring, subscribing for, or otherwise acquiring, and for any kind of estate or interest. The acquiring can be by contract, tender, underwriting, or in any other way, and on any terms and conditions, and it can be either direct or indirect.
  - 4.27.3 **company** includes any company, or corporate body, established anywhere in the world.
  - 4.27.4 **Person** and **people** includes any company, corporate body, partnership, form, government, authority, body or society (whether incorporated or not).
  - 4.27.5 **Property** includes real and personal property of any kind, and any interest in, or right to, any such property.
  - 4.27.6 **Securities** includes any shares, stocks, debentures, debenture stock, bonds, notes or warrants. These can be either fully paid or partly paid.
  - 4.27.7 **Holding company** and **subsidiary** have the same meaning as in the Companies Act 1985 (as amended). However, **holding company** also includes any other parent undertaking, and **subsidiary** also includes any other subsidiary undertaking, as defined in that Act.
5. The liability of the shareholders is limited.

6. The authorised share capital of the Company is £920,000,000<sup>3</sup>, divided into 600,000,000 Ordinary Shares of £1.00 each and 320,000,000 B Ordinary Shares of £1.00 each, with power to increase or to divide the shares in the capital for the time being into different classes having such rights and, privileges and advantages as to voting or otherwise as the Articles of Association may from time to time prescribe.

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<sup>3</sup> The authorised share capital of the Company was increased from £1,000 to £250,000,000 pursuant to a special resolution dated 20 May 2000, from £250,000,000 to £280,000,000 pursuant to a special resolution dated 10 September 2001, from £280,000,000 to £350,000,000 pursuant to a special resolution dated 27 November 2002, from £350,000,000 to £600,000,000 pursuant to a special resolution dated 8 August 2006 and from £600,000,000 to £920,000,000 pursuant to a special resolution dated 2 November 2009.