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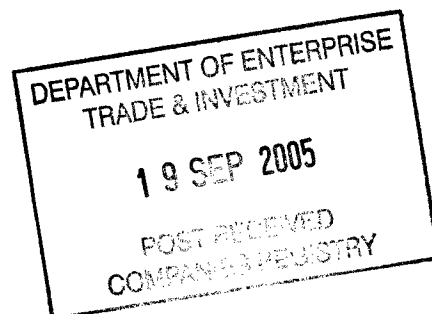
**THE COMPANIES ACTS 1948 to 1967**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

- of -

**CANADA LIFE LIMITED\***



1. The name of the Company is "CANADA LIFE LIMITED".
2. The Registered Office of the Company will be situate in England.
3. The objects for which the Company is established are:
  - (a) To carry on ordinary long-term insurance business in all its branches, and in particular to grant or effect assurances of all kinds for payment of money, by way of a single payment or by several payments or by way of immediate or deferred annuities or otherwise, upon the happening of all or any of the following events, namely, the death or marriage or birth or survivorship or failure of issue of, or the attainment of a given age by, any person or persons, or the expiration of any fixed or ascertainable period, or the occurrence of any contingency or event which would or might be taken to affect the interest, whether in possession, vested, contingent, expectant or otherwise, of any person or persons in any property, or the loss or recovery of contractual or testamentary capacity in any person or persons.
  - (b) To grant annuities of all kinds, whether dependent on human life or otherwise, and whether perpetual or terminable, and whether immediate or deferred, and whether contingent or otherwise.
  - (c) To undertake the establishment, provision, accumulation and payment of renewal funds, depreciation funds, redemption funds, sinking funds endowment funds, education funds, and any other special funds for borrowers, lenders, leaseholders, annuitants, parents or others for such consideration, whether by way of a lump sum payment, or periodical premiums, or otherwise, and upon such terms and conditions generally as may be thought fit.
  - (d) To guarantee the title to, or quiet enjoyment of property, either absolutely, or subject to any qualifications or conditions, and to guarantee persons interested, or about to become interested in any property against any loss, actions, proceedings,

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\* The name of the Company was changed to Canada Life Limited by Certificate of Incorporation of Change of Name dated 5 November 1999.

claims or demands in respect of any insufficiency or imperfections, or deficiency of title, or in respect of any encumbrances, burdens or outstanding rights.

(e) To carry on personal accident insurance business and to transact the business of effecting and carrying out contracts of insurance against loss or damage to property by fire, burglary, accident, storm and any other risks whatsoever.

(f) To reassure or reinsure or counter-assure or counter-insure, any assurances or insurances or liabilities granted or taken over by the Company, and to undertake reassurances and reinsurances counter-reassurances and counter-reinsurances of assurances, insurances and liabilities granted or accepted by other persons or bodies similar to those hereinbefore authorised to be granted or accepted by the Company, and for such consideration and upon such terms and conditions generally as may be thought fit.

(g) To pay, satisfy or compromise any claims made against the Company in respect of any contract or policy entered into or granted by the Company, which claims the Company may deem it expedient to pay, satisfy or compromise notwithstanding that the same may not be valid in law, and to revive any contract or policy that may have become void or lapsed on such terms and conditions and in such cases as may be deemed expedient, or in lieu of reviving any such contract or policy to grant any new contract or policy or make any other concessions in favour of the persons entitled to the lapsed or void contract or policy.

(h) To form or assist in the formation of any company for the purpose of holding any stocks, shares or other assets and of issuing stocks, shares or securities, whether or not preferred or deferred, based upon or representing the assets so held, and to act as managers of or assist in the management of any such company whether formed by the Company or not, and to issue, dispose of, hold, buy sell or otherwise deal in the stocks, shares or other securities of any such company, whether formed by the Company or not.

(i) To invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, debentures, debenture stocks, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stocks, debentures, debenture stocks, bonds, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, local authority or other public body, whether at home or abroad, and to buy and sell foreign exchange.

(j) To acquire any such shares, stocks and other securities before mentioned by original subscription, syndicate participation, tender, purchase, exchange or otherwise and whether or not fully paid up, and to subscribe for the same, either conditionally or otherwise, and to underwrite or guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof and to vary and transpose from time to time as may be considered expedient any of the Company's investments for the time being Provided that the Company shall in no circumstances be empowered to carry on business or act as stock or share brokers of any kind.

(k) To act as trustee of any deeds constituting or securing any debentures, debenture stocks or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of executor, administrator, treasurer or

registrar, or to become manager of any business and to keep for any company, government authority or body, any register relating to any stocks, funds shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.

(l) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above, or which it may be advisable to undertake with a view to developing, rendering valuable, or turning to account any property, real or personal, belonging to the Company or in which the Company may be interested.

(m) To purchase, acquire, rent build, improve, administer, maintain, or manage property of all kinds, real or personal.

(n) To purchase or otherwise acquire for any estate or interest any property or assets or any concessions, licences, grants, or other exclusive or non-exclusive rights of any kind which may appear to be necessary or convenient for any business of the Company, and to develop and turn to account and deal with the same in such manner as may be thought expedient, and to make experiments and tests and to carry on all kinds of research work.

(o) To borrow and raise money and to secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages and charges upon the undertaking and all or any of the property and assets (whether real or personal and both present and future) and the uncalled capital of the Company, or by the creation and issue on such terms and conditions as may be thought expedient of debentures, debenture stock or other securities of any description.

(p) To draw, make, accept, endorse, discount, negotiate, execute and issue, and to buy, sell and deal in bills of exchange, promissory notes, and other negotiable or transferable instruments, and to deal in foreign exchange.

(q) To lend money with or without security and generally upon such terms and conditions as may be thought fit, and to give all descriptions of guarantees and indemnities.

(r) To sell, lease, grant licences, easements, and other rights over, and in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and in particular for stocks, shares or securities of any other company whether fully or partly paid up.

(s) To take all necessary or proper steps in Parliament or with the authorities, national, local, municipal or otherwise, of any place in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or affecting any modification in the constitution of the Company or furthering the interest of its Members, and to oppose any steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interest of the Company or its members.

(t) To acquire and undertake on any terms, and subject to any conditions, the whole or any part of the issued share capital, business, property and liabilities of any

person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company.

(u) To amalgamate with or enter into partnership or any joint purse or profit-sharing arrangement with or to co-operate in any way with, or assist or subsidise any company, firm or person carrying on, or proposing to carry on any business within the objects of the Company.

(v) To procure the registration or incorporation of the Company in or under the laws of any place outside England.

(w) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition, or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its Members.

(x) To grant pensions or gratuities to any employees or ex-employees (including Directors and other officers) of the Company or its predecessor in business, or the relations, connections or dependents of any such persons, and to establish or support associations, institutions, clubs, funds or trusts which may be considered calculated to benefit any such persons or otherwise advance the interest of the Company or of its members and to establish and contribute to any scheme for the purchase by trustees of shares in the Company to be held for the benefit of the Company's employees, and to lend money to the Company's employees to enable them to purchase shares of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with its employees or any of them.

(y) to distribute in specie among the members of the Company any property of the Company.

(z) To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.

(a) To do all such things as are incidental or conducive to the attainment of the above objects, and so that the word "company" in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere.

And it is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this Clause (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Company and shall not be in anywise limited by reference to any other paragraph or the order in which the same occur or the name of the Company.

4. The liability of the members is limited.

5. The authorised share capital of the Company is £30,000,000 divided into 30,000,000 ordinary shares of £1 each (hereinafter called the "Ordinary Shares")

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association,

and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber
<p>THE MANUFACTURERS LIFE INSURANCE COMPANY</p> <p>A.T. Seedhouse President 200 Bloor St. East Toronto, Canada</p> <p>Louise M Davison Company Secretary</p> <p>200 Bloor St. East Toronto, Canada</p>	<p>All issued Preference Shares and all but one Ordinary Share</p> <p>One Ordinary Share</p>

Dated this 16<sup>th</sup> day of February, 1970.

WITNESS to the above signatures:-

E.H. McVitty  
200 Bloor Str. East,  
Toronto, Canada

Barrister & Solicitor

**THE COMPANIES ACTS 1948 to 1967**

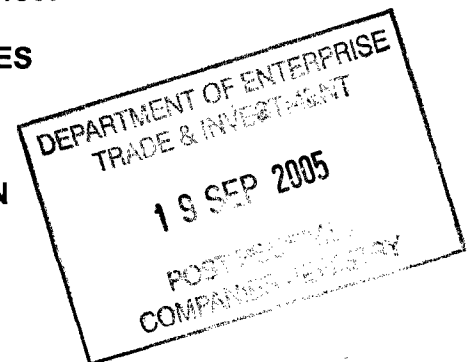
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**- of -**

**CANADA LIFE LIMITED\***

**(Articles adopted on 24 May 1999)**



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**PRELIMINARY**

1. The regulations in Table "A" scheduled to the Companies (Table A to F) Regulations 1985 (or any previous version thereof) shall not apply to the above-named CANADA LIFE LIMITED (in these presents called the "Company"), except insofar as the same are repeated or contained in these presents.
2. In these presents, if no inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

**WORDS**

**MEANINGS**

The Acts

The Companies Acts 1948 to 1967 (insofar as these apply to the Company) and The Companies Acts 1985 and every other Act for the time being in force concerning companies and affecting the Company.

These presents

These Articles of Association, as originally framed, or as from time to time altered by Special Resolution.

The Actuary

The Actuary for the time being of the Company.

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\* The name of the Company was changed FROM The Canada Life Assurance Company of Great Britain Limited by Certificate of Incorporation of Change of Name dated 5 November 1999.

Article 3 of these Articles of Association was varied by way of a Written Resolution dated 30 March 2005.

Office	The Registered Office of the Company for the time being.
Seal	The Common Seal of the Company
The United Kingdom	Great Britain and Northern Ireland
The Register	The Register of members of the Company.
Month	Calendar month
Year	Calendar year
In writing	Written or produced by any substitute for writing, or partly one and partly another.

And the expressions "Debentures" and "Debenture Holder" shall include "Debenture Stock" and "Debenture Stockholder", and the expression "Secretary" shall include a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

Save as aforesaid any words or expressions defined in the Acts shall, if not inconsistent with the subject or context, bearing the same meaning in these presents.

### **CAPITAL**

3. The authorised share capital of the Company is £30,000,000 divided into 30,000,000 ordinary shares of £1 each (hereinafter called the "Ordinary Shares")
4. The Company is a Private Company, and accordingly:-
  - (A) The right to transfer shares in the Company shall be restricted in manner hereinafter appearing.
  - (B) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who, having been formerly in the employment of the Company were, whilst in such employment, and have continued after the determination of such employment to be, members of the Company), shall be limited to fifty; provided that where two or more persons hold one or more shares in the Company jointly they shall for the purposes of this paragraph be treated as a single member.
  - (C) No invitation shall be made to the public to subscribe for any shares, debentures or debenture stock of the Company.
  - (D) The Company shall not have power to issue share warrants to bearer.
5. (A) Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights

shall not be modified or abrogated except with such consent or sanction as is provided by Article 6 hereof) any share in the Company (whether forming part of the original capital or not) may be issued with such preferred, deferred, or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine.

(B) Without prejudice to the generality of Article 3 above and subject to the provisions of the Acts and to any rights conferred on the holders of any other shares, any share may be issued which is to be redeemed, or is to be liable to be redeemed at the option of the Company or the holder.

#### MODIFICATION OF RIGHTS

6. Whenever the Capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Acts, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least (save that in the event that there is only one person holding all the issued shares of the class or classes which entitle the holder thereof to attend and vote at such a General Meeting, the quorum shall be one person) holding or representing by proxy one-half in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum) and that the holders of shares of the class shall on a poll, have one vote in respect of every share of the class held by them respectively. Subject as hereinbefore provided in regard to the Preference Shares, the special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified by the creation or issue of further shares ranking *pari passu* therewith.

#### SHARES

7. The shares shall be at the disposal of the Directors and they may allot, grant options over, or otherwise dispose of them to such persons, at such times, and on such terms as they think proper, but so that no shares shall be issued at a discount, except in accordance with the Acts. The Directors shall, as regard any offer or allotment of shares, comply with the provisions of the Acts, if and so far as such provisions may be applicable thereto.
8. The Company shall duly comply with any provisions of the Acts as to the minimum subscription on which the Company may proceed to an allotment of its shares.
9. In addition to all other powers of paying commissions, the Company (or the Directors on behalf of the Company) may exercise the powers of paying



commissions conferred by the Acts. Provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by law, and shall not exceed the rate of 10 per cent. of the price at which the shares are issued, or an amount equivalent thereto. The Company (or the Directors on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

10. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a lengthened period, the Company (or the Directors on behalf of the Company) may, subject to the conditions and restrictions mentioned in the Acts, pay interest on so much of such Share Capital as is for the time being paid up, and may charge the same to Capital as part of the cost of construction of the works, buildings or plant.
11. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these presents otherwise provided or as by The Acts required or under any order of Court) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

#### CERTIFICATES

12. Every person whose name is entered as a member in the Register shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares, or upon payment of such sum, not exceeding £2.00 for every certificate after the first as the Directors shall from time to time determine, to several certificates, each for one or more of his shares. Every certificate, whether for shares or debentures, shall be issued under the Seal, and bear the autographic signatures of one or more Directors and the Secretary, and shall specify the shares or securities to which it relates, and the amount paid up thereon. Provided that in the case of a share held jointly by several persons, the Company shall to be bound to issue more than one certificate therefore, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
13. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of such fee (if any), not exceeding £1.00, and on such terms (if any) as to evidence and indemnity as the Directors think fit.

#### LIEN

14. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such member, and whether the period for the payment or discharge of the same shall have

actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this clause.

15. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled by reason of his death or bankruptcy to the share.
16. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. The purchaser shall be registered as the holder of the shares and he 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 or invalidity in the proceedings in reference to the sale. Every Director of the Company is hereby authorised to execute on behalf of the registered holder a transfer of such shares to the purchaser.

#### CALLS ON SHARES

17. The Directors may from time to time make calls upon the members in respect of any moneys (whether on account of the amount of the shares or by way of premium) unpaid on their shares, provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share shall exceed one-fourth of the nominal amount of the share or be payable at less than fourteen days from the last call, and each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.
18. A call shall be deemed to have been made at the time when the Resolution of the Directors authorising the call was passed, and a call may be made payable by instalments.

19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
21. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid, and in the times of payment.
23. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member paying such sum and the Directors agree upon.

#### TRANSFER OF SHARES

24. All transfers of shares may be effected by transfer in writing in the usual common form (or such other form as the Directors may approve) under hand only.

25. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof, provided that the instrument of transfer of a partly paid share must be signed also by the transferee.
26. The Directors may, in their absolute discretion, and without specifying any grounds therefore, refuse to register any transfer of shares to a person of whom they shall not approve and they may also decline to register any transfer of shares on which the Company has a lien, and no transfer of shares shall in any event be registered by the Directors if by such registration the maximum number of members fixed by Article 4 hereof would be exceeded. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
27. The Directors may also decline to recognise any instrument of transfer, unless:-
  - (A) Such fee, not exceeding £2.00, as the Directors may from time to time require is paid to the Company in respect thereof; and
  - (B) The instrument of transfer is deposited at the office or such other place as the Directors may appoint accompanied by the certificate of 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.
28. The registration of the transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.
29. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register affecting the title to any share, such fee, not exceeding £2.00 as the Directors may from time to time require or prescribe.
30. Nothing herein contained shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

## TRANSMISSION OF SHARES

31. In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
32. Subject to any other provision of these presents, any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.
33. Subject to any other provisions of these presents, if the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member.
34. Subject to any other provisions of these presents, a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall not be entitled (unless the Directors otherwise determined) to receive notices of or to attend or vote at meetings of the Company or, save as aforesaid, to any of the rights or privileges of a member until he shall have become a member in respect of the share, and should he fail either to transfer the share or to elect to be registered as a member in respect thereof within sixty days of being required so to do by the Directors, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a member in respect thereof and may be registered accordingly.
35. If a member fails to pay the whole or any part of any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued.
36. The notice shall name a further day (not being less than seven days from the date of the notice) on or before which the payment is to be made and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed in the notice the shares on which the call was made will be liable to be forfeited.

37. If the requirements of any such notice as aforesaid are not complied with any share in respect of which such notice has been given may at any time thereafter before payment of all calls and interest and expenses due in respect thereof has been made be forfeited by a Resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
38. A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited share to any such other person as aforesaid.
39. A shareholder whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of shares, with interest thereon at seven per cent per annum from the date of forfeiture until payment.
40. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale or disposal thereof together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same to be required) constitute a good title to the share, and the person whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.

#### STOCK

41. Any shares when fully paid may from time to time be converted into stock, and any stock may from time to time be reconverted into paid-up shares of any denomination. Such conversion or reconversion shall be effected in such manner and with such sanction as is prescribed by the Acts and save so far as the Acts require any further or other sanction to or method of conversion or reconversion, may be effected by the Directors.
42. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in sums of £1 or multiples of £1.
43. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters,

as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in dividends and in assets on a winding up) shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privilege or advantage.

44. All such of the provisions of these presents are applicable to paid-up shares shall apply to stock, and the words "share" and "Shareholder" therein shall include "stock" and "stockholder".

#### INCREASE OF CAPITAL

45. The Company in General Meeting may from time to time by Ordinary Resolution increase its Capital by such amount as the Resolution shall prescribe.
46. The Company may by Ordinary Resolution direct that the new shares, or any of them, shall be offered in the first instance, either at par or at a premium, to all the shareholders or any class or group of shareholders for the time being, in proportion to the number of shares or shares of the class or group held by them respectively, or make any other provisions as to the issue of the new shares. In default of any such direction, or so far as the same shall not extend, the new shares shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons and on such terms as they shall think fit.

47. The new shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise, as the shares in the original Capital, and, unless otherwise provided in accordance with the powers contained in these presents, the new shares shall be Ordinary Shares.

#### ALTERATIONS OF CAPITAL

48. The Company in General Meeting may:-

(A) Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares.

(B) Cancel any shares which, at the date of the passing of the Resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of shares so cancelled.

(C) Subdivide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Acts), and so that the Resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

(D) Reduce its Capital or any Capital Redemption Reserve Fund in any manner authorised by the Acts.

The powers conferred by this Article may be exercised by Ordinary Resolution except in cases where the Acts require a Special Resolution in which cases the exercise thereof shall be by Special Resolution.

#### GENERAL MEETINGS

49. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently once at least in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding annual General Meeting) and place as may be determined by the Directors. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
50. The Directors may call an Extraordinary General Meeting whenever they think fit, and shall, on requisition in accordance with the Acts proceed to convene an Extraordinary General Meeting as required by the Acts.

#### NOTICE OF GENERAL MEETINGS

51. Twenty-one clear days' notice of every Annual General Meeting and every Extraordinary General Meeting at which it is proposed to pass a Special Resolution and fourteen clear days' notice of every other Extraordinary General Meeting specifying the place, the date, and the hour of the meeting, and in the case of special business, the general nature of such business shall be given in a manner hereinafter mentioned to the Directors, the Auditors and to such members as are, under the provisions herein contained entitled to



receive notice from the Company. With the consent in writing of all the members entitled to receive notice from the Company a meeting shall be convened by a shorter notice and in such manner as such members may think fit.

52. The accidental omission to give notice to, or the non-receipt of notice by, any Director, member or the Auditors shall not invalidate the proceedings at any General Meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

53. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of sanctioning dividends, the reading and consideration of the Accounts and Balance Sheet and the reports of the Directors and Auditors, and other documents required to be annexed to the Balance Sheet, the election of Directors and appointment of auditors and other officers in the place of those retiring by rotation or otherwise, the fixing of the remuneration of the Auditors and the voting of remuneration or extra remuneration to the Directors.
54. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two Members present in person or by proxy shall be a quorum for all purposes.
55. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present shall be a quorum.
56. The Chairman (if any) of the Board of Directors shall preside as chairman at every General Meeting of the Company. If there be no such Chairman, or if at any meeting he be not present within five minutes after the time appointed for holding the meeting, or be unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some member present to the Chairman.
57. The Chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
58. At any General Meeting a Resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by at least two members present in person or by proxy and entitled to vote. Unless a poll is so demanded, a declaration by the Chairman that a Resolution has been

carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such Resolution.

59. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the Resolution unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the Resolution.
60. If a poll is duly demanded, it shall be taken in such manner as the Chairman may direct (including the use of ballot or voting papers or tickets), and the result of a poll shall be deemed to be the Resolution of the meeting at which the poll was demanded. The Chairman may, in the event of a poll, appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. The demand for a poll may with the consent of the Chairman of the meeting be withdrawn.
61. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
62. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs, not being more than thirty days from the date of the meeting.
63. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

#### VOTES OF MEMBERS

64. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these presents, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative or proxy not being himself a member, shall have one vote. On a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.
65. In the case of joint holders of a share 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 for this purpose seniority shall be determined by the order in which the names stand in the Register.
66. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee or curator bonis appointed by such Court, and such committee, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than three days before the time for holding the meeting.

67. No member shall, unless the Directors otherwise determine, be entitled to vote at any General Meeting either personally or by proxy, or as proxy for another member, or to exercise any privilege as a member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
68. 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 given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
69. On a poll votes may be given either personally or by proxy.
70. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. A proxy need not be a member of the Company.
71. Any corporation holding shares conferring the right to vote may by Resolution of its directors or other governing body authorise any of its official or any other person to act as its representative at any meeting of the Company, or at any meeting of holders of any class of shares of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual member of the Company.
72. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office not less than twenty-four hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid.
73. An instrument of proxy may be in the following form, or in any other form which the Directors shall approve, and the proxy shall be deemed to include the right to demand or join in the demanding a poll, and generally to act at the meeting for the member giving the proxy:-

"THE CANADA LIFE ASSURANCE COMPANY OF GREAT BRITAIN  
LIMITED

I, the undersigned, being a member of the above-named Company,  
hereby appoint \_\_\_\_\_, of \_\_\_\_\_, whom  
failing, \_\_\_\_\_ of \_\_\_\_\_ as my proxy to vote  
and act for me, and on my behalf, at the Annual [or Extraordinary, as  
the case may be] General Meeting of the Company to be held on the  
\_\_\_\_\_ day of \_\_\_\_\_, 199 \_\_\_\_\_ and at any adjournment  
thereof  
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_  
Proxies need not be witnessed

74. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### DIRECTORS

75. (A) The Directors shall not unless otherwise determined by an Ordinary Resolution of the Company be less than two in number. The first Directors shall be appointed by memorandum in writing signed by the subscribers hereto.
- (B) The holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue may from time to time appoint any person or persons to be a Director or Directors of the Company and may remove any or all of the Directors (including the first Directors) for the time being.
- (C) Any such appointment or removal pursuant to the last foregoing provision shall be made in writing delivered to the Office and shall be signed by or on behalf of the holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue.
76. The remuneration of the Directors shall be such sum or sums as the Company in General Meeting shall from time to time determine, such remuneration shall be deemed to accrue from day to day. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in the performance of their duties or in attending meetings of the Directors or committees of the Directors.
77. If any Director, being willing and having been called upon to do so, shall render or perform extra or special services of any kind, including services on any committee established by the Directors or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such additional remuneration as the Directors may think fit.
78. No Director shall vacate his office or be ineligible for re-appointment as a Director, nor shall any person be ineligible for appointment as a Director by reason only of his having attained any particular age.
79. A Director shall not be required to hold any qualification shares.

80. The office of a Director shall be vacated in any of the following events, namely:-
- (A) If by notice in writing to the Company he resigns the office of Director.
  - (B) If he becomes bankrupt or insolvent or enters into any arrangement with his creditors.
  - (C) If he becomes of unsound mind.
  - (D) If he be prohibited from being a Director by reason of any order made under any relevant provision of the Acts.
  - (E) If he be removed by an Ordinary Resolution of the Company in accordance with and subject to the relevant provisions of the Acts, or by notice in writing signed and delivered in accordance with Article 75.
81. A Director may hold any other office or place or profit under the Company (other than the office of Auditor) and may act and receive remuneration in a professional capacity for the Company in conjunction with his office of Director, and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, provided that the nature of the interest of the Director in such contract to proposed contract or arrangement be declared at the meeting of the Directors at which the question is first taken into consideration if his interest then exists, or in any other case at the next meeting of the Directors held after he became interested. Provided also that a Director shall not vote in respect of any contract or arrangement in which he is so interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor shall it apply to any contract or arrangement entered into with another company where the sole interest of a Director is that he is a director or creditor of or is a shareholder in the company with which such contract or arrangement is to be made nor shall it apply to any contract to subscribe for or to underwrite or guarantee the subscription of any shares or debentures of the Company and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction by the Company in General Meeting. A general notice that a Director is to be regarded as interested in any contracts or arrangements which may be made with any specified person, firm or corporation after the date of such notice shall be a sufficient disclosure under this Article.

## POWERS OF DIRECTORS

82. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the Acts or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Acts, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Ordinary Resolution of the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be restricted by any special authority or power given to the Directors by any other Article.
83. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
84. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
85. The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.
86. The Company, or the Directors on behalf of the Company, may cause to be kept in any part of Her Majesty's Dominions outside Great Britain, the Channel Islands and the Isle of Man in which the Company transacts business, a branch register or registers of members resident in such part of Her Majesty's Dominions, and the Directors may (subject to the provisions of the Acts) make and vary such regulations as they may think fit respecting the keeping of any such register.
87. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled Capital, and

to issue debentures, debenture stock, and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

88. (A) The Directors may procure the establishment or maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of pensions, gratuities, allowances, benefits or emoluments to any employees or ex-employees of the Company or other persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is associated with the Company or of the predecessors in business of the Company or the relations, connections or dependants of any such persons;

(B) The Directors may procure the establishment and support of any associations, institutions, clubs, funds and trusts which may be considered calculated to benefit any such persons as aforesaid or otherwise advance the interests of the Company or of its members;

(C) The Directors may establish and contribute to any scheme for the purchase by trustees of shares in the Company to be held for the benefit of the Company's employees and may lend money to the Company's employees to enable them to purchase shares of the Company and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees or any of them;

(D) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any other Company.

89. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by Resolution determine.

#### MANAGING, TECHNICAL OR ADVISORY DIRECTOR

90. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Technical or Advisory Director for such period and on such terms as they think fit. A Director appointed to any such office as aforesaid shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he cease to hold the office of Director he shall ipso facto and immediately cease to hold the office of Managing, Technical or Advisory Director as the case may be.
91. A Managing, Technical or Advisory Director shall receive such remuneration (whether by way of salary, commission, or participation in profits, or partly in one way and partly in another) as the Directors may determine.
92. The Directors may entrust to and confer upon a Managing, Technical or Advisory Director any of the powers exercisable by them as Directors upon

such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### PROCEEDINGS OF DIRECTORS

93. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors by notice in writing addressed to each of the Directors at such address as each such Director shall have supplied to the Company as his address for the service of such notice. It shall not be necessary to give notice of a meeting of the Directors to any Director who has not supplied an address for the service of such notice, but notice shall be given to alternate Directors who have so supplied an address.

(A) The Directors or any committee of the Directors may participate in a meeting of Directors by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.
94. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be two.
95. Questions arising at any meeting of the Directors shall be decided by a majority of votes and each Director shall have one vote. Provided however that in the case of an equality of votes the Chairman of the Meeting shall have a second or casting vote.
96. The continuing Directors may act notwithstanding any vacancies in their number, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents, the continuing Directors or Director may act for the purpose of filling up vacancies in the number of Directors or of summoning a General Meeting of the Company, but not for any other purpose. If there be no Directors or no Director able or willing to act, then any two shareholders may summon a General Meeting of the Company for the purpose of appointing Directors.
97. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the Meeting.



98. A Resolution in writing, signed by all the Directors, shall be as effective as a Resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors.
99. A meeting of the Directors for the time being, at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
100. The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.
101. The meetings and proceedings of any such committee constituting of two or more members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
102. All acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting as aforesaid, or that they or any of them were disqualified, 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.

#### THE SEAL

103. The Seal of the Company shall not be affixed to any instrument except by the authority of a Resolution of the Board and shall be so affixed in the presence of at least one Director and the Secretary or some other person approved by the Board, both of whom shall sign every instrument to which the Seal is so affixed in their presence.

#### AUTHENTICATION OF DOCUMENTS

104. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any Resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors at aforesaid.

#### ALTERNATIVE DIRECTORS

105. A Director may at any time appoint any person approved by the Board to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office. An alternate Director so

appointed shall not be entitled to receive any remuneration from the Company, nor be required to hold any qualification but shall otherwise be subject to the provisions of these presents with regard to Directors. An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as a Director 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 the absence of such appointor. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. All appointments and removals of alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the Office.

Provided that where the alternate Director is not also a Director in his own right his appointment may also be revoked by notice in writing signed by or on behalf of the holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue.

#### SEPARATE FUNDS

106. Subject to the provisions of the Acts the Directors shall set up, maintain and discontinue such reserve and other separate fund or funds, whether for special purposes or in respect of various classes of insurance carried on by the Company or otherwise as they shall think fit.

#### VALUATION OF FUNDS

107. (A) Once at least in every three years (or such shorter period as the Directors may from time to time determine) the Directors shall cause the financial condition and affairs of the Company to be fully investigated and a calculation to be made of the amount of profit of the ordinary long term business of the Company and which shall not previously have been set apart as profit. For the purposes of each such investigation and calculation the actuarial basis and method of valuation of the liabilities of the ordinary long term business of the Company and of the stocks funds securities investments and other assets of the Company shall be such as the Directors acting under the advice of the Actuary may think fit.

(B) The Directors shall declare the amount which as a result of each investigation under paragraph (A) of this Article and without prejudice to existing claims and demands in respect of the ordinary long-term business of the Company may in their judgment with safety be set apart as profit and the amounts which shall be carried forward in account or set to reserve in accordance with Article 120 hereof. A declaration by the Directors as to the amount, so to be respectively set apart as profit or to be carried forward or to be set to reserve shall be conclusive.

#### LIFE ASSURANCE POLICIES PARTICIPATING IN PROFITS

108. The Directors may, from time to time (if they shall think fit), allow the holder of any life assurance or annuity policy issued by the Company or any class or section of the holders of any such policies to participate in the profits of the

Company available for distribution in such proportion and to such extent in respect of any year or other period as they shall decide after taking the advice of the Actuary.

#### ALLOCATION OF PROFITS AND DIVIDENDS

109. The net profits of the Company for each year after making such appropriations as are provided for in Articles 107 and 108 which it shall from time to time be determined to distribute by way of dividend shall be applied in the payment of dividends to the shareholders in proportion to the amounts paid up on the shares held by them respectively.
110. No dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

111. Where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses as the case may be shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account, and in that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for appropriations in accordance with Articles 107 and 108 be treated as a profit or loss arising from the business of the Company and available for such appropriations accordingly.
112. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall, while carrying interest, be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid on the 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, such share shall rank for dividend accordingly.
113. The Directors may if they think fit from time to time pay to the members in respect of those shares in the Capital of the Company which confer on the holders thereof deferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend such interim dividends as appear to the Directors to be justified by the profits of the Company, and provided that the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred rights. The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of opinion that the profits justify the payment.
114. The Directors may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
115. No unpaid dividend, bonus or interest shall bear interest as against the Company.
116. The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
117. The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person under those provisions is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.
118. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, and in case of

joint holders to any one of such joint holders or to such person and such address as the holder or joint holders may direct. Every such cheque shall be made payable to the order of the persons to whom it is sent or to such person as the holder or joint holders may direct and payment of the cheque shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

- 119. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.
- 119A. Any General Meeting declaring a dividend may, upon the recommendation of the Directors, by Ordinary Resolution direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, and where any difficulty arises in regard to the distribution the Directors may settle it as it thinks expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any assets or any part thereof to be distributed and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as may seem expedient to the Directors.

## RESERVES

120. The Directors may before recommending any dividends, whether preferential or otherwise, carry to reserve out of the profits of the Company such sums as they think proper and may also carry to reserve any premiums received upon the issue of shares, securities or obligations of the Company. All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any of the property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry over any profits which they may think it not prudent to divide.
121. The Directors may make or set aside such internal or undisclosed reserves as they may think desirable for the purpose of meeting or providing for contingencies or realised, apprehended or future depreciation or losses, and may apply the whole or any part of the sum so set aside for the purposes aforesaid and until the same are so set aside invest them in any investments (other than shares of the Company) which they shall think fit, or employ the same in the business of the Company, and the Directors may from time to time if and when they are of opinion that any such internal or undisclosed reserves are no longer required bring the same to credit of Profit and Loss Account. The powers conferred upon the Directors by this Article shall be in addition to all other powers of forming reserves conferred upon them by these presents.

## CAPITALISATION OF PROFITS AND RESERVES

122. The Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any undivided profits of the Company not required for paying the fixed dividends on any Preference Shares (including profits carried and standing to the credit of any reserve or reserves or other special account), and accordingly that the Directors be authorised and directed to appropriate the profits resolved to be capitalised to the members who would have been entitled to receive the same had such sums been distributed in cash in accordance with their rights and to apply such profits on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares, debentures or securities of the Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other.
123. Whenever such a Resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts

and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fractions and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

#### ACCOUNTS

124. The Directors shall cause proper books of account to be kept with respect to:-
  - (a) All sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
  - (b) All sales and purchases of goods by the Company; and
  - (c) The assets and liabilities of the Company.
125. The books of account shall be kept at the Office or at such other place as the Directors think fit and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by The Acts or authorised by the Directors or by the Company in General Meeting.
126. Once at least in every year the Directors shall lay before the Company in General Meeting a proper Profit and Loss Account or income and expenditure account and a Balance Sheet containing a general summary of the Capital, the assets, and the liabilities of the Company arranged under suitable heads.
127. Every such Balance Sheet as aforesaid shall be signed on behalf of the Board by two of the Directors, and shall have attached to it a report of the Directors as to the state of the Company's affairs and the amount which they recommend to be paid by way of dividend to the members and the amount (if any) which they have carried or propose to carry to the reserve fund, general reserve or reserve account shown specifically on the Balance Sheet or to be shown specifically on a subsequent Balance Sheet. The Balance Sheet shall also have attached to it the Auditor's Report.
128. A copy of the Report, accompanied by the Balance Sheet, including every document required by law to be annexed thereto, and Profit and Loss Account or income and expenditure account, shall not less than twenty-one days previous to the Annual General Meeting, be delivered or sent by post to the registered address of every member.

#### AUDIT

129. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Annual General meeting.

130. No Director or other officer of the Company nor any person who is a partner of or in the employment of an officer of the Company nor any corporation shall be capable of being appointed Auditor of the Company.

#### NOTICES

131. Any notice or document may be served by the Company on any member either personally, or by sending it through the post in a prepaid letter addressed to such member either, in the case of a member described in the Register by an address within the United Kingdom, at such address or, in the case of any other member, at the address, if any, within the United Kingdom supplied by him to the Company for the service of notices or, if he shall not have supplied any such address, at his address as appearing in the Register. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.
132. Any notice or other document, if served by post, shall be deemed to have been served at the time when the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.
133. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder, unless his name shall at the time of the service of the notice or document have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

#### WINDING UP

134. If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision, or by the Court) the liquidator may, with the authority of an Extraordinary Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

#### INDEMNITY

135. Save and except so far as the provisions of this Article shall be avoided by any provisions of the Acts, the Directors, Managing Directors, Auditors, Secretary and other officers for the time being of the Company and the



Trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason or any act done, concurred in, or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default respectively and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except the same shall happen by or through their own wilful neglect or default respectively.