

**LLOYDS BANK Plc**

**Registered no. 2065**

**MEMORANDUM**

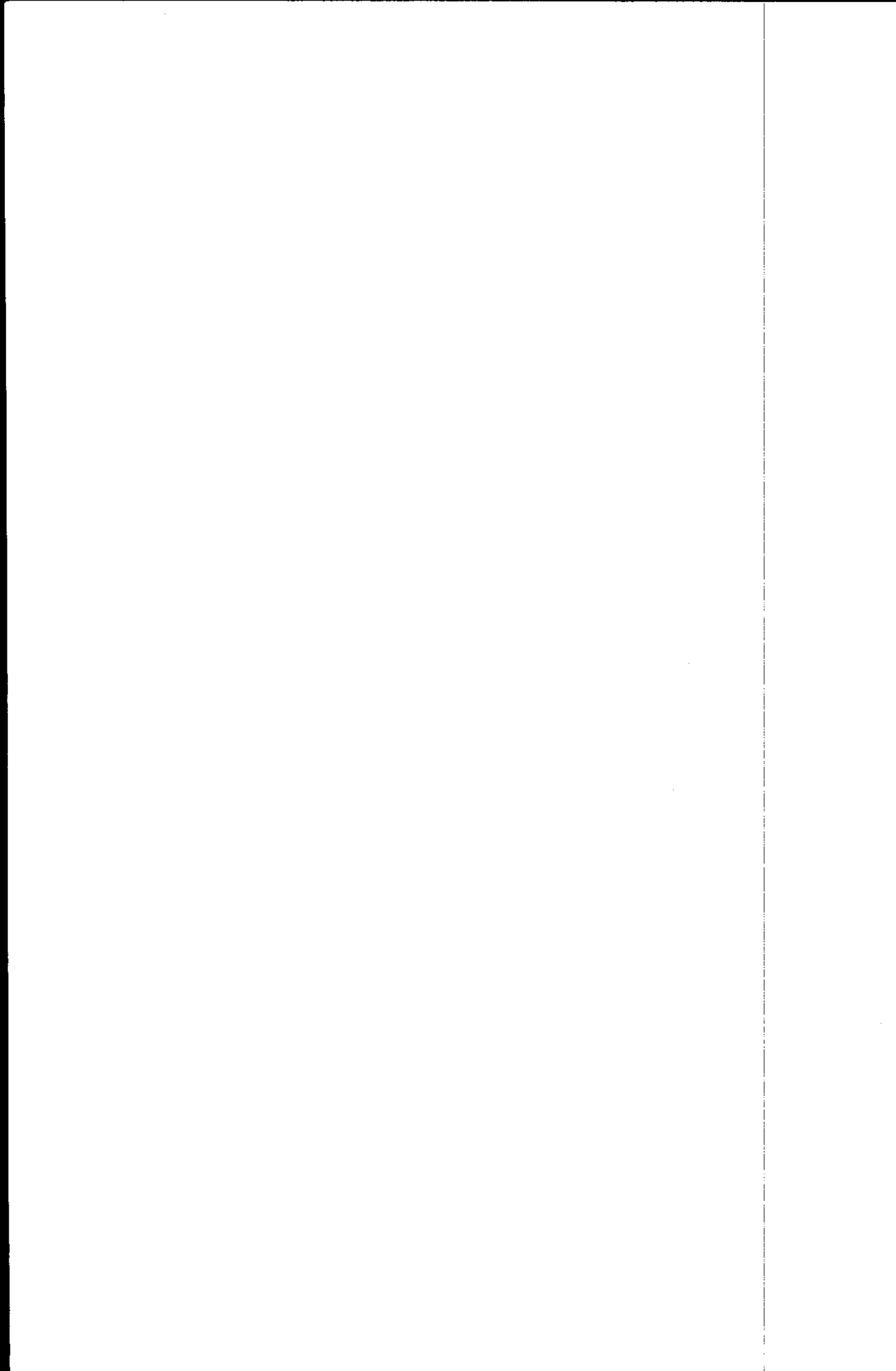
**AND**

**ARTICLES OF ASSOCIATION**



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## INTRODUCTION

The company was incorporated on 20 April 1865 under the name of "Lloyds Banking Company Limited" with a nominal capital of £2,000,000 divided into 40,000 shares of £50 each.

The name of the company was changed, on 7 April 1884, to "Lloyds Barnetts and Bosanquets Bank Limited", and on 5 April 1889 to "Lloyds Bank Limited". The company was re-registered as "Lloyds Bank Plc" on 1 February 1982.

In 1956 the capital was reorganised as described in the minute approved by the court. Since then there have been various increases in capital so that at the date of reprinting this document in April 1991 the nominal capital stands at £1,650,000,001 divided into one cumulative floating rate preference share of £1 and 1,650,000,000 ordinary shares of £1 each.

In 1983 and 1991 the objects of the company were altered and the current objects of the company are as stated in the memorandum of association.



# Certificate of the Incorporation of a Company.



I hereby Certify that

LLOYDS BANK LIMITED

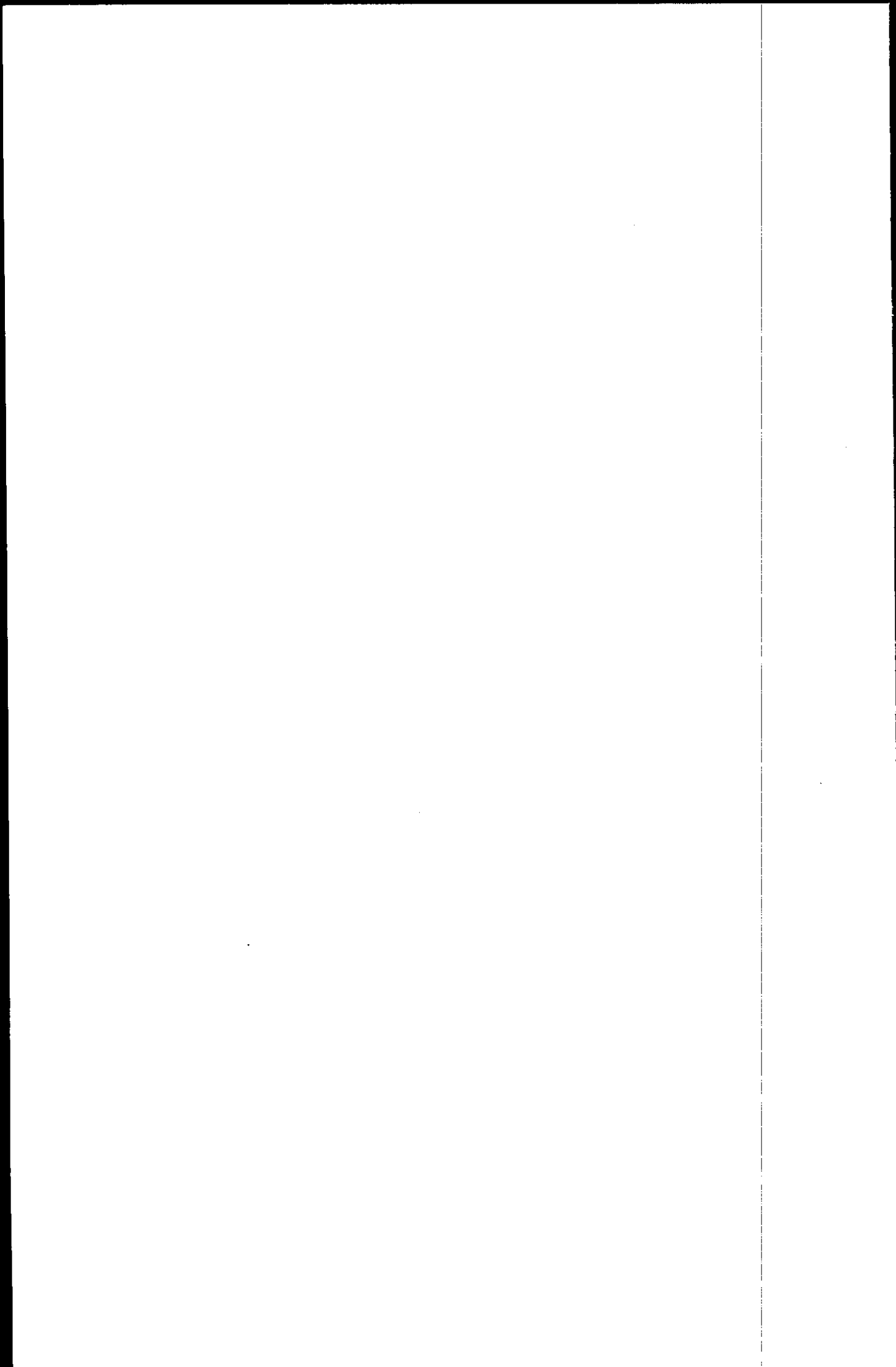
previously  
(originally called LLOYDS BARNETTS AND BOSANQUETS BANK LIMITED)

which name was changed by  
Special Resolution and with the Authority of the Board of Trade on the fifth day  
of April One thousand Eight Hundred and eighty-nine  
was **Incorporated** under the Companies Act, 1862,

as a **Limited** Company, on the twentieth day of April  
One Thousand Eight Hundred and sixty-five.

Given under my hand at London, this twelfth day of March  
One thousand nine hundred and thirty

*Registrar of Companies.*





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

No. 2065

I hereby certify that

LLOYDS BANK Plc

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

Dated at Cardiff the 1ST FEBRUARY 1982

A handwritten signature in black ink, appearing to read 'P. J. Jones'.

Assistant Registrar of Companies





## MEMORANDUM OF ASSOCIATION

of

### LLOYDS BANK Plc

as altered by special resolution passed on 26 June 1911, confirmed by an order of the court made 21 July 1911, amended pursuant to the Companies Act 1980 and altered by special resolutions passed on 21 April 1983 and 24 April 1991.

- 1st. The name of the company is "LLOYDS BANK Plc".
- 2nd. The company is a public company.
- 3rd. The registered office of the company will be situated in England and Wales.

Adopted by special resolution passed on 21 April 1983 in complete substitution for the previous objects clause, and altered by special resolution passed on 24 April 1991.

- 4th. The objects for which the company is established are:
  - (A) To carry on the business of banking in all its aspects including (but without limitation) the transaction of all financial monetary and other businesses which are now or may be at any time during the existence of the company usually or commonly carried on in any part of the world by banks merchant banks discount houses or financiers and in particular (without prejudice to the generality of the foregoing):
    - (a) to receive money on current deposit or other account on any terms whatsoever and to employ and use such money;
    - (b) to borrow raise or take up money on any terms whatsoever whether with or without security and whether on a subordinated basis or otherwise and to employ and use such money;
    - (c) to deposit lend or advance money securities and other property of every kind with or without security and generally to give credit of any nature with or without security and to make or negotiate loans and advances of every kind in any currency on any terms whatsoever including (but without limitation) arrangements for and participating in currency exchanges;

- (d) to buy sell issue discount draw make accept grant endorse acquire tender for subscribe guarantee the subscription of execute negotiate guarantee hold transfer invest and deal in pay honour retire secure or otherwise dispose of obligations securities and instruments of every kind (whether or not transferable or negotiable);
  - (e) to issue grant negotiate and deal in any way with or in letters of credit circular notes bills drafts promissory notes and all other forms of credits securities and instruments of every kind;
  - (f) to buy sell and deal in bullion specie foreign exchange precious and other metals and commodities of every kind;
  - (g) to receive on deposit or for safe custody or otherwise cash documents securities and valuables of every kind;
  - (h) to collect hold and transmit money and securities and to act as agents for the receipt or delivery of securities and documents of every kind and for the receipt or payment of money;
  - (i) to issue and transact all kinds of business in respect of bankers' cards credit and debit cards and any other types of card issued by the company or by any other company or person and generally to transact business in relation to all kinds of bankers' payment systems; and
  - (j) to act as agents consultants or advisers relating to or in connection with the management of property and insurance of every kind all aspects of taxation and pension matters and the management and investment of money and generally to transact every kind of agency consultancy and advisory business.
- (B) To carry on any business of any nature whatsoever which may seem to the directors of the company to be capable of being conveniently carried on in connection or in conjunction with or as ancillary to any business of the company hereinbefore or hereinafter

authorised or to be expedient with a view to rendering profitable or more profitable or enhancing directly or indirectly the value of any of the company's property or assets or its undertaking or utilising its know-how or expertise.

- (C) To finance or assist in financing the acquisition sale hire or lease of real and personal property of every kind and the provision of services in connection with or ancillary to the same (whether by means of hire purchase personal loan or otherwise) and to import export buy sell barter hire out lease charter let on hire exchange pledge and make advances upon or otherwise deal in and generally to act as factors traders or merchants of or in any other capacity in relation to real and personal property as aforesaid.
- (D) To act as registrars and transfer agents for any company or person to keep for any company or person any register relating to any funds or any securities to maintain any other records and accounts for any company or person and to undertake any other duties for any company or person whether in relation to the registration of transfers or the issue and deposit of certificates or other documents of or evidencing title or any other matter whatsoever.
- (E) To undertake and execute the office of executor administrator attorney judicial and custodian trustee manager committee liquidator receiver and treasurer and to establish undertake and execute trusts of all kinds (whether private or public or charitable or religious or otherwise) and generally to carry on executor and trustee business in all its aspects and on any terms whatsoever and in particular (but without limitation) to act as trustees for the holders of any securities of any company or person and as managers and trustees of unit trusts investment trusts and pension benevolent or other funds and to transact all kinds of business arising from or in connection with any of the foregoing offices and trusts and to establish and if thought fit undertake and execute any trusts with a view to the issue of any securities certificates receipts or other documents based on or representing any securities or other assets of whatsoever nature appropriated for the purposes of or comprised in or connected with such trusts.

- (F) To promote negotiate effect offer for sale by tender or otherwise underwrite guarantee secure the placing of subscribe or tender for or procure the subscription of (whether conditionally or absolutely) participate in carry out manage (whether on commission or not) or perform any other function in relation to any issue (public or private) of the securities of any company or person and to lend money for the purposes of any such issue.
- (G) To effect and enter into any guarantee bond recognisance or contract of indemnity or suretyship and generally to provide security for support and become responsible or liable for or in respect of the performance of any contract obligation or duty by any company or person (including but without limitation any company which is the holding company of the company or which is a subsidiary of the company or of any such holding company or which is in any way whatsoever allied to or associated with the company or any such holding company or subsidiary or in which the company or any such holding company subsidiary or allied or associated company is interested whether as shareholder or otherwise and whether directly or indirectly) and to do all of the foregoing things by personal covenant or by mortgaging or charging all or any part of the undertaking property and assets (present and future) and the uncalled capital of the company or by both of such methods or in any other manner whatsoever and in particular (but without prejudice to the generality of the foregoing) by either or both of such methods or in any other manner to guarantee provide security for support and become responsible or liable for or in respect of the validity reliability or authenticity of all kinds of titles securities instruments deeds and documents and the payment of capital principal premiums dividends interest and other monies and the performance of any obligations secured by or payable or performable under or in respect of any securities to undertake the insurance counter-insurance and reinsurance of all kinds of risks to obtain and receive all kinds of guarantees counter-guarantees indemnities and counter-indemnities to take all other kinds of security whether by way of personal covenant mortgage or charge or otherwise howsoever for or in respect of the performance

or implementation of any obligations of any person or company and generally to carry on the business of a guarantee and indemnity company in all its aspects.

- (H) To create and issue any securities for any purpose including (but without limitation) by way of security or indemnity for or in respect of or by way of satisfaction of any liability whether of the company or of any other company or person.
- (I) 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 all or any part of the undertaking property and assets (present and future) and the uncalled capital of the company.
- (J) To subscribe underwrite purchase exchange or otherwise acquire and to hold deal in sell or otherwise dispose of or turn to account any securities of any company or person whatsoever or any other kind of real or personal property including (but without limitation) financial futures of any nature and interest exchange arrangements and any options or other rights in respect of any such securities or other such kind of real or personal property as aforesaid and generally both in relation to securities and in relation to any other kind of real or personal property to carry on the business of a dealing company in all its aspects.
- (K) To co-ordinate finance assist subsidise and manage all or any part of the businesses and operations of any and all companies in which the company is interested whether as a shareholder or otherwise and whether directly or indirectly and generally to carry on the business of a holding company in all its aspects.
- (L) To invest any monies of the company on any terms whatsoever in such securities of such company or person such financial futures and such other kinds of property (whether real or personal) as the directors of the company may deem expedient to hold sell or otherwise deal with such securities financial futures and other kinds of property as aforesaid and generally both in relation to securities and in relation to all other kinds of property (both real and personal) to carry on the business of an investment company in all its aspects.

- (M) To promote or join in the promotion of any company whether or not having objects similar (wholly or in part) to those of the company including (but without limitation) the promotion of any company for the purpose of acquiring all or any of the property rights and liabilities of the company or any subsidiary of the company.
- (N) To purchase take options over take on lease or in exchange hire or otherwise acquire (for any estate or interest and on any terms whatsoever) develop or turn to account real and personal property of every kind and in particular (but without limitation) to build construct equip execute carry out improve work develop administer maintain manage or control works plants factories wharves jetties roads railways warehouses depots offices shops mines canals reservoirs marinas and other buildings structures or facilities of all kinds.
- (O) To act as forwarding agents travel and shipping agents commission agents surveyors architects valuers auditors property consultants and managers land and estate agents insurance brokers and average adjusters and generally to undertake and carry on every kind of professional and agency business in all its aspects.
- (P) To carry on the businesses of providing secretarial managerial consultancy accountancy statistical legal and any executive supervisory or advisory services of any kind whatsoever for or in relation to any company person property or business.
- (Q) To carry on the businesses of selling installing operating renting and providing data processing storage and retrieval equipment and systems computers computer bureaux services and communication systems of every kind.
- (R) To enter into partnership or into any arrangement for sharing profits amalgamation union of interests co-operation joint venture reciprocal concession or otherwise with any company or person.
- (S) To purchase or otherwise acquire and undertake all or any part of the business property and liabilities of any company or person as the directors of the company may deem expedient.

- (T) To sell improve manage develop turn to account exchange lease grant licences easements and other rights over and in any other manner deal with or dispose of all or any part of the undertaking property rights assets and effects of the company or any part thereof for such consideration (if any) as may be thought fit and in particular for any securities (whether fully or partly paid) of any other company or person and to hold deal with or dispose of such consideration.
- (U) To purchase or otherwise acquire for any estate or interest any property or assets or any concessions licences grants patents trade marks copyrights or other exclusive or non-exclusive rights of any kind and to develop and turn to account and deal with the same in such manner as may be thought fit and to make experiments and tests and to carry on all kinds of research work.
- (V) To seek for and secure and to utilise and develop any openings for the employment of capital and if thought fit to engage and employ specialists to investigate explore and examine whether specifically or generally the prospects character situation conditions and circumstances of any businesses undertakings and concerns and any concessions rights properties or assets of any nature whatsoever.
- (W) To enter into any arrangements with any governments or authorities international supreme municipal local or otherwise and to obtain from any such government or authority any rights privileges or concessions which the directors of the company may think it desirable to obtain and to carry out exercise and comply with any such arrangements rights privileges and concessions.
- (X) To take all such actions in parliament or with any government or authority international supreme municipal local or otherwise as may seem desirable for the purpose of advancing the company's interests and to oppose any proceedings or applications which may seem likely directly or indirectly to prejudice the company's interests.
- (Y) To take or concur in taking all such steps and proceedings including (but without limitation) the undertaking of any obligation monetary or otherwise as may seem best calculated to uphold and support the credit of the company



or to obtain maintain restore or justify public confidence in the company or to avert or minimise financial disturbances which might detrimentally affect the company.

- (Z) To subscribe donate or guarantee money for any international national charitable benevolent or other object or for any purpose which may be considered likely directly or indirectly to further the interests of the company or of its members.
- (AA) To establish and maintain or contribute to or otherwise subsidise or support any pension or superannuation funds for the benefit of and to give or procure the giving of donations gratuities pensions allowances or emoluments to any individuals who are or were at any time directors officers employees servants or agents of the company or of any other company which is or was at any time its holding company or which is or was at any time a subsidiary of the company or of any such holding company or which is or was at any time in any way whatsoever allied to or associated with the company or any such holding company or subsidiary or in which the company or any such holding company subsidiary or allied or associated company is or was at any time interested whether as a shareholder or otherwise and whether directly or indirectly or of any predecessor in business of the company or of any such other company and the wives widows families dependants and personal representatives of any such individuals as aforesaid and to establish and maintain or contribute to or otherwise subsidise or support any institutions associations clubs trusts or funds which may be considered likely to benefit any such persons as aforesaid or to further the interests of the company or of any such other company or of any such predecessor in business.
- (BB) (i) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the company, or of any other company which is its holding company or in which the company or such holding company or any of the predecessors of the company or of such holding company has any interest, whether direct or indirect, or which is in any way allied to or associated with the company, or

of any subsidiary undertaking of or any other body, whether or not incorporated ("body"), owned by or in which an interest is owned by the company or any such other company, or who are or were at any time trustees of any pension fund in which employees of the company or any such other company or subsidiary undertaking or body are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the company or any such other company, subsidiary undertaking, body or pension fund; and

- (ii) to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability.

For the purposes of this paragraph "holding company" and "subsidiary undertaking" shall have the same meanings as in the Companies Act 1989.

- (CC) To establish maintain operate contribute to subsidise and support any scheme arrangement fund or trust under or pursuant to which individuals who are or were at any time directors officers employees servants or agents of the company or of any other company which is or was at any time its holding company or which is or was at any time a subsidiary of the company or of any such holding company or which is or was at any time in any way whatsoever allied to or associated with the company or any such holding company or subsidiary or in which the company or any such holding company or subsidiary or allied or associated company is or was at any time interested whether as a shareholder or otherwise howsoever and whether directly or indirectly or of any predecessor in business of the company or of any such other company and the wives widows families dependants and personal representatives of any such individuals as aforesaid may share or participate in the profits of the company or of any such other company or may in any other manner

whatsoever acquire rights or benefits which are referable to or dependent upon or otherwise connected with the success or prosperity of the company or of any such other company and (without prejudice to the generality of the foregoing) to such extent and in such manner as shall be legally permissible to lend or otherwise provide or procure or subsidise the lending or other provision of money to or directly or indirectly for the benefit of any such persons as aforesaid with a view to shares in or any other securities of the company or of any such other company being acquired or held by or directly or indirectly for the benefit of any such persons as aforesaid.

- (DD) To distribute among members of the company in specie or otherwise by way of dividend or bonus or by way of reduction of capital all or any of the property or assets of the company or any proceeds of sale or other disposal of any property or assets of the company.
- (EE) To procure the registration or incorporation of the company in or under the laws of any territory outside England.
- (FF) To do all other things which the directors of the company may from time to time deem to be incidental or conducive to the effecting of any of its objects.
- (GG) To do all or any of the things and matters aforesaid in any part of the world either as principals agents nominees contractors trustees or otherwise and by or through trustees agents subsidiary companies nominees or otherwise and either alone or in conjunction with others.

It is hereby declared that:

- (i) the expression "company" (except where used to refer to the company) shall be deemed to include any government or any authority or body (whether statutory municipal public or otherwise) association partnership syndicate or other body of persons whether incorporated or unincorporated and whether domiciled in England or any territory outside England;—

- (ii) the expression "securities" shall be deemed to include stocks shares bonds notes debentures debenture stocks loans loan stocks mortgages documents or other certificates of title certificates of deposit depositary receipts funds or other obligations interests or participatory rights of every kind; and
- (iii) the objects of the company as specified in each of the 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 any way limited by reference to any other paragraph or the order in which the paragraphs occur or by reference to the name of the company.

5th. The liability of the members is limited.

6th. The nominal share capital of the company is one thousand six hundred and fifty million and one pounds divided into one cumulative floating rate preference share of one pound and one thousand six hundred and fifty million ordinary shares of one pound each.

Amended to  
reflect capital  
changes up to 13  
December 1989.

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 to our respective names.

Names, addresses and descriptions of subscribers	Number of shares taken by each subscriber
George Dixon, 47 Broad Street, Birmingham, Warwickshire. Merchant	Two hundred and fifty (250)
Edward Gem, Belle Vue House, Halesowen, Worcestershire. Merchant	Two hundred and fifty (250)
Joseph Chamberlain, 14 Broad Street, Birmingham, Warwickshire. Screw Manufacturer	Two hundred and fifty (250)
Henry Ambrose Fry, 6 Temple Row West, Birmingham, Warwickshire. Merchant	One hundred (100)
Brooke Smith, 65 Hill Street, Birmingham, Warwickshire. Merchant	Twenty (20)
Howard Lloyd, Kingsdown House, Stratford Road, Birmingham, Warwickshire. Gentleman	Fifty (50)
Robert Francis Martineau, 65 Hill Street, Birmingham, Warwickshire. Merchant	Twenty five (25)
Total shares taken - 945	

Dated this nineteenth day of April 1865.

Witness to the above signatures:

Arthur Ryland,  
Solicitor,  
7 Cannon Street,  
Birmingham,  
Warwickshire.

The Companies Act 1985

ARTICLES OF ASSOCIATION

of

LLOYDS BANK Plc

adopted by special resolution passed on  
24 April 1991.

PRELIMINARY.

Table A not to  
apply.

1. The regulations in table A in The Companies (Tables A to F) Regulations 1985 and in any table A applicable to the company under any former enactment relating to companies shall not apply to the company.

Interpretation.

2. In these articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:

"act"	the Companies Act 1985.
"statutes"	the act and every other statute for the time being in force concerning companies and affecting the company.
"these articles"	these articles of association as from time to time altered.
"office"	the registered office of the company for the time being.
"transfer office "	the place where the register of members is situate for the time being.
"seal"	the common seal of the company.

"securities seal"	an official seal kept by the company by virtue of section 40 of the act.
"United Kingdom"	Great Britain and Northern Ireland.
"month"	calendar month.
"year"	calendar year.
"in writing"	written or produced by any substitute for writing or partly one and partly another.
"dividend"	dividend and/or bonus.
"paid"	paid or credited as paid.

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".

The expressions "recognised clearing house" and "recognised investment exchange" shall mean any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services Act 1986.

The expression "secretary" shall include any person appointed by the directors to perform any of the duties of the secretary including, but not limited to, a joint, assistant or deputy secretary.

The expression "managing director" and "joint managing director" shall respectively include "chief executive" and "joint chief executive".

All the provisions of these articles applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid, any words or expressions defined in the act shall (if not inconsistent with the subject or context) bear the same meanings in these articles.

A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these articles.

#### SHARE CAPITAL.

##### Capital.

3.(1) The share capital of the company at the date of the adoption of these articles is £1,650,000,001 divided into one cumulative floating rate preference share of £1 (a "preference share") and 1,650,000,000 ordinary shares of £1 each. The rights attaching to the preference share and the ordinary shares shall be as follows:

(a) the holder of a preference share shall be entitled (in priority to any payment of dividend on the ordinary shares) to a floating rate cumulative preferential dividend (a "preference dividend") to be paid, if and insofar as there are profits of the company available for such payment, on each interest payment date [such term, together with the terms "interest period", "rate of interest" (including, for this purpose, any "substituted rate"), "compulsory interest payment date" and "arrears of interest" having the respective meanings ascribed thereto in the conditions (the "conditions") relating to the United States \$750,000,000 primary capital undated floating rate notes of the company (the "notes") which are constituted by a trust deed dated 14 May 1985 between the company and The Law Debenture Corporation p.l.c.] in respect of the interest period ending on the day immediately preceding such interest payment date, but no preference dividend shall be payable on such date unless such interest payment date is a compulsory interest payment date; the amount of any preference dividend which is not so payable shall accumulate and shall be payable (if and insofar as there are profits of the company available for the purpose) as though the same were arrears of interest in respect of the notes in accordance with the conditions and (in the event of the winding up of the company) shall in any event be paid in priority to the making of any payment to the holders of the ordinary shares. Subject thereto and to any special rights which may be attached to any other class of shares, the profits of the company available for dividend and resolved to be distributed shall be distributed by way of dividend among the holders of the ordinary shares;

(b) the amount of the preference dividend in respect of a preference share shall, in respect of any interest period, be the sterling equivalent (computed as of the date for payment) of the amount in United States dollars equal to the interest accrued on a daily basis from and including the interest payment date on which such interest period commenced



(or, if later, the day on which such share is allotted) to but excluding the next interest payment date calculated at the rate of interest on the aggregate United States dollar principal amount of the notes outstanding on the former interest payment date divided by the number of preference shares allotted on or before such date. The preference dividend shall be calculated on the basis of the number of days in the interest period concerned divided by 360. In the event of a winding up of the company, the amount of the preference dividend shall be calculated as provided in the conditions by the trustee or the liquidator as if the provisions therein contained continued after the commencement of such winding up;

(c) on a return of assets on a winding up, the assets of the company available for distribution among the members shall be applied first in repaying to the holder of a preference share in lieu of the amounts paid up (or credited as paid up) on such share the sterling equivalent (computed as of the date for payment) of the amount in United States dollars equal to the principal amount of the notes outstanding at the date of the commencement of the winding up and arrears of interest and interest accrued on such principal amount up to and including the day prior to the date of commencement of the winding up of the company together with a sum equal to the amount of any arrears or deficiency of the preference dividend thereon, to be calculated down to the actual day of payment and to be payable irrespective of whether or not such preference dividend has been earned, divided by the number of preference shares allotted on or before such day. The balance of such assets, subject to any other class of shares, shall be applied in repaying to the holders of the ordinary shares the amounts paid up on such ordinary shares and subject thereto shall belong to and be distributed among such holders rateably according to the number of such ordinary shares held by them respectively; and

(d) for the purposes of this article, references to amounts paid up (or credited as paid up) on a preference share or to a preference share having been allotted shall include references to amounts deemed to be paid up (or credited as paid up) or, as the case may be, to preference shares deemed to have been allotted (on deemed conversion of the notes) by virtue of the conditions.

(2) The company may from time to time create and issue further preference shares ranking as regards participation in the profits and assets of the company *pari passu* and rateably with (but not in priority to) the preference share (notwithstanding that the dividend rights, the currency by

reference to which payments are calculated or any other rights pertaining to such further preference shares may be different from those attached to the preference share) and the issue of such further preference shares shall not constitute a variation of the rights attaching to a preference share.

(3) Any subdivision of a preference share into shares of a smaller amount or any subsequent consolidation and division thereof into shares of some other amount or cancellation of any unissued preference share or conversion of any preference share into stock shall constitute a variation of the rights attaching to a preference share.

(4) A preference share shall not confer on the holder thereof any right to receive notice of, attend or vote at general meetings of the company and references in these articles to "member", "shareholder" and "holder" in relation to receiving notice of, attending or voting at general meetings of the company shall be construed accordingly.

#### VARIATION OF RIGHTS.

How special rights attached to shares may be varied.

4.(1) Whenever the share 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 statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the company is a going concern or during or in contemplation of a winding up.

(2) To every such separate general meeting all the provisions of these articles relating to general meetings of the company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have 1 vote for every share of the class held by him.

(3) The foregoing provisions of this article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

No deemed variation of rights attached to shares.

5. The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by:

- (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the company in some or all respects *pari passu* therewith but in no respect in priority thereto; or
- (b) by the purchase by the company of any of its own shares.

#### ALTERATION OF SHARE CAPITAL.

Power to increase capital. Rights and liabilities attached to new shares.

6. The company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the statutes and of these articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

7.(1) The company, without prejudice to the provisions of article 3.(3), may by ordinary resolution:

Power to consolidate shares.

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

Power to cancel 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 the shares so cancelled;

Power to sub-divide shares.

- (c) sub-divide 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 statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the company has power to attach to unissued or new shares.

Directors' powers on consolidation and/or sub-division of shares.

(2) Subject to any direction by the company in general meeting, upon any consolidation of fully paid shares into shares of larger amount and/or any sub-division of shares into shares of smaller amount the directors may settle any difficulty which may arise with regard thereto and in particular may:

- (a) as between the holders of shares so consolidated and/or sub-divided determine which shares are consolidated into each consolidated share and/or sub-divided into shares of smaller amount respectively; and
- (b) in the case of any shares registered in the name of one holder (or joint holders) being consolidated and/or sub-divided with shares registered in the name of another holder (or joint holders) and/or if any holders become entitled to fractions of a share as a result of such consolidation and/or sub-division:
  - (i) make such arrangements for the allocation, acceptance or sale of the consolidated shares and/or sub-divided shares and for the distribution of any moneys received in respect thereof as may be thought fit including, on behalf of such holders, to sell to any person (including, subject to the provisions of the statutes, the company) the shares representing any such shares or fractions of shares for the best price reasonably obtainable and to pay and distribute the net proceeds of such sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £2.50 or such other sum as the directors may from time to time determine, may be retained for the benefit of the company). For the purpose of giving effect to any of the above, the directors may appoint some person to transfer the consolidated share and/or the sub-divided shares or any fractions thereof and to receive the purchase price therefor and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity; or
  - (ii) if the necessary unissued shares are available, issue to each such holder, credited as fully paid by way of capitalisation, a minimum number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately prior to consolidation and/or sub-division) and the amount required to

pay up such shares shall be appropriated at the discretion of the directors from any of the sums standing to the credit of any of the company's reserve accounts (including share premium account and capital redemption reserve fund) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

Power to purchase own shares.

8. Subject to the provisions of the statutes, the company may purchase any of its own shares (including any redeemable shares). Every contract for the purchase by the company of, or under which it may be entitled or obliged to purchase, its own shares shall, in addition to such authorisation as may be required by the statutes, be sanctioned by an extraordinary resolution passed at a separate general meeting of the holders of each class of shares in issue convertible into equity share capital of the company.

Power to reduce capital.

9. Subject to the provisions of the act, the company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner.

#### SHARES.

Issue of shares.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the directors may determine) and subject to the provisions of the statutes the company may issue any shares which are, or at the option of the company or the holder are liable, to be redeemed.

Redeemable shares.

Shares at the disposal of the directors.

11.(1) Subject to the provisions of the statutes relating to authority, pre-emption rights and otherwise and of any resolution of the company in general meeting passed pursuant thereto, all unissued shares shall be at the disposal of the directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

Directors' authority to allot shares.

(2) (a) The directors shall be generally and unconditionally authorised pursuant to and in accordance with section 80 of the act to exercise for each section 80 prescribed period all the powers of the company to allot and to make offers or agreements to allot relevant securities up to an aggregate nominal amount equal to the section 80

amount (save that the directors shall not be authorised to issue the preference share described in article 3).

Directors' power to allot shares for cash.

(b) During each section 89 prescribed period the directors shall be empowered to allot and to make offers or agreements to allot equity securities wholly for cash pursuant to and within the terms of the said authority:

(i) In connection with a rights issue; and

(ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the section 89 amount,

as if section 89(1) of the act did not apply to any such allotment.

(c) By such authority and power, the directors may during such period make offers or agreements which would or might require the allotment of securities after the expiry of such period.

(d) For the purposes of this article:

(i) "rights issue" means an offer of equity securities to holders on a fixed record date of (x) ordinary shares in proportion to their respective holdings and (y) other equity securities to the extent required or permitted by the rights attached thereto (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory);

Commences  
30 March 1995 and  
ends 29 March 2000  
(resolved at a.g.m.  
on 30 March 1995)

(ii) "section 80 prescribed period" means, in the first instance, a period of 5 years commencing on the day of the adoption of these articles and shall thereafter mean any other period (not exceeding 5 years on any occasion) for which the authority conferred by sub-paragraph (a) above is renewed or extended by an ordinary resolution of the company stating the section 80 amount for such period;

Ends on day of  
a.g.m. in 1996 or  
on 30 June 1996,  
whichever is the  
earlier (resolved  
at a.g.m. on  
30 March 1995)

(iii) "section 89 prescribed period" means, in the first instance, the period from the date of the adoption of these articles to the date of the annual general meeting in 1992 or 15 months from the day of the adoption of these articles, whichever is the earlier, and shall thereafter mean any period (not exceeding 15 months on any occasion) for which the authority and power conferred by sub-paragraph (b) above is renewed by a special resolution of the company stating the section 89 amount for such period;

£250,560,756  
(resolved at a.g.m.  
on 30 March 1995)

(iv) "section 80 amount" shall for the first section 80 prescribed period be £285,536,311 and for any other section 80 prescribed period shall be that stated in the relevant ordinary resolution or any increased amount fixed by ordinary resolution;

£64,859,822  
(resolved at a.g.m.  
on 30 March 1995)

(v) "section 89 amount" shall for the first section 89 prescribed period be £62,030,861 and for any other section 89 prescribed period shall be that stated in the relevant special resolution; and

(vi) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the company, the nominal amount of such shares which may be allotted pursuant to such rights.

Power to pay  
commissions  
and brokerage.

12. The company may exercise the powers of paying commissions conferred by the statutes to the full extent thereby permitted. The company may also on any issue of shares pay such brokerage as may be lawful.

Renunciation of  
allotment.

13. The directors may at any time after the allotment of any share but before any person has been entered in the register of members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the directors may think fit to impose.

Exclusion of  
equitable  
interests.

14. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

Directors'  
power to  
decline to  
register.

15. The directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully-paid shares). The directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the directors refuse to register an allotment or transfer they shall within two

months after the date on which the letter of allotment or transfer was lodged with the company send to the allottee or transferee notice of the refusal.

#### SHARE CERTIFICATES.

Share  
certificates.

16. Every share certificate shall be issued under the seal (or under a securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange.

Certificates  
for joint  
shareholders.

17. In the case of a share held jointly by several persons, the company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

Issue of  
certificates.

18. Any person (subject as aforesaid) whose name is entered in the register of members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within 1 month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within 14 days after lodgment of a transfer or (in the case of a transfer of partly-paid shares) within 2 months after lodgment of a transfer. Provided that this article shall not apply in the case of a recognised clearing house or a nominee of a recognised clearing house or a recognised investment exchange or any other person in respect of whom the company is not required by law to complete and have ready for delivery a certificate as provided herein.

Partial  
transfers.

19. Where some only of the shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Cancellation of  
certificates.

20.(1) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(2) If any member shall surrender for cancellation a share certificate representing shares held by him and request the company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the directors may, if they think fit, comply with such request.



Renewal of  
certificates:

(3) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the company in connection with the request as the directors may think fit.

(4) In the case of shares held jointly by several persons, any such request may be made by any one of the joint holders (which shall be binding on the other joint holder or holders).

#### CALLS ON SHARES.

Calls.

21. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject to the terms of allotment of such shares. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may be made payable by instalments.

Time when  
made.

22. Each member shall (subject to receiving at least 14 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. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the directors may determine.

Interest on  
calls.

23. 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 as the directors (subject to the terms of allotment of such shares) determine but the directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

Sums due on  
allotment to  
be treated  
as calls.

24. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these articles be deemed to be a call duly made and payable on the day on which by the terms of allotment the same becomes payable. In case of non-payment, all the relevant provisions of these articles 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.

Power to  
differentiate.

25. The directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

Payment in  
advance of  
calls.

26. The directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the company may pay interest at such rate as the member paying such sum and the directors may agree.

#### FORFEITURE AND LIEN.

Notice requiring  
payment of calls.

27. If a member fails to pay in full any call or instalment of a call on or before the due date for payment thereof, the directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the company by reason of such non-payment.

Contents of  
notice.

28. The notice shall name a further day (not being less than 7 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.

Forfeiture and  
surrender in  
lieu of  
forfeiture.

29. 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 share and not actually paid before forfeiture. The directors may accept a surrender of any share liable to be forfeited hereunder.

Forfeiture upon  
neglect to  
transfer or to  
be registered.

30. If any person entitled to be registered as the holder of a share shall, for 6 months after being so required by notice from the directors, neglect or omit to transfer the same, or procure himself to be registered as the holder thereof in accordance with these articles, such share may be forfeited by a resolution of the directors to that effect, but such notice must state that in the event of non-compliance therewith within such period of

6 months the share will be liable to be forfeited. Such notice shall be served on the person entitled to claim the share in the same manner as is by these articles prescribed in the case of the service of notices on members of the company, and all the provisions of these articles with regard to notices shall apply to a notice under this article. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The directors may accept a surrender of any share liable to be forfeited hereunder.

Disposal of  
shares  
forfeited or  
surrendered.

31. A share so forfeited or surrendered shall become the property of the company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender 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, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the directors think fit. The directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

Rights and  
liabilities  
of members  
where shares  
have been  
forfeited or  
surrendered.

32. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of such shares and shall surrender to the company for cancellation the certificate for such shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the company all moneys which at the date of forfeiture or surrender were presently payable by him to the company in respect of the shares with interest thereon at such rate as the directors may determine from the date of forfeiture or surrender until payment and the directors may in their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part.

Company's lien.

33. The company shall have a first and paramount 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 directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this article.

Sale of shares  
on which the  
company has  
a lien.

34. The company may sell in such manner as the directors think fit any share 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 14 days after a 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 thereto by reason of his death or bankruptcy or otherwise by operation of law.

Application of proceeds of sale of shares on which the company has a lien.

35. 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 amount in respect whereof the lien exists so far as the same is then 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 sums 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. For the purpose of giving effect to any such sale the directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

Title to shares forfeited or surrendered or sold to satisfy a lien.

36. A statutory declaration in writing that the declarant is a director or the secretary of the company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the company 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. Such declaration shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or 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 or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### TRANSFER OF SHARES.

Form and execution of transfer.

37. All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.

Closing of register of members.

38. The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine and either generally or in respect of any class of shares. The register of members shall not be closed for more than 30 days in any year.

Lodging of transfer at the transfer office.

39. The directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is lodged at the transfer office accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

Retention of instruments of transfer.

40. All instruments of transfer which are registered may be retained by the company.

No fee payable.

41. No fee will be charged by the company in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the register of members affecting the title to any shares.

#### DESTRUCTION OF DOCUMENTS.

Destruction of documents.

42.(1) The company shall be entitled to destroy:

(a) all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of 6 years from the date of registration thereof;

(b) all dividend mandates and notifications of change of address at any time after the expiration of 2 years from the date of recording thereof; and

(c) all share certificates which have been cancelled at any time after the expiration of 1 year from the date of the cancellation thereof.

(2) It shall conclusively be presumed in favour of the company that:

(a) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;

(b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

(c) every share certificate so destroyed was a valid and effective certificate duly and properly issued and cancelled; and

(d) every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the company.

Provided that:

(i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice in writing of any claim (regardless of the parties thereto) to which the document might be relevant;

(ii) nothing herein contained shall be construed as imposing upon the company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the company in the absence of this article; and

(iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

#### TRANSMISSION OF SHARES.

Transmission  
on death.

43. 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 interest in the shares, but nothing in this article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

Registration of  
persons  
becoming  
entitled on  
death or  
bankruptcy.

44. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the company such evidence as the directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the company notice in writing of such his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these articles 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 notice or transfer were a transfer executed by the member registered as the holder of any such share.

Rights of  
persons  
entitled on  
death or  
bankruptcy.

45. Save as otherwise provided by or in accordance with these articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the company such evidence as the directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the directors) to exercise any right conferred by membership in relation to meetings of the company until he shall have been registered as a member in respect of the share.

#### UNTRACED SHAREHOLDERS.

Power to sell  
shares of  
untraced  
shareholders  
after 12 years.

46.(1) The company shall be entitled to sell, at the best price reasonably obtainable at the time of sale, the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:

(a) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (b) below (or, if published on different dates, the first thereof) no communication has been received by the company from the member or the person entitled by transmission and no cheque or warrant sent by the company through the post addressed to the member or to the person entitled by transmission to the shares at his address on the register of members or the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and at least 3 dividends in respect of the shares in question have become payable and no dividend in respect of those shares has been claimed;

(b) the company shall on expiry of such period of 12 years have inserted advertisements in 2 daily newspapers, one circulating nationally in the United Kingdom and one circulating in the locality of the registered address of the member concerned, giving notice of its intention to sell the said shares;

(c) during such period of 12 years and the period of 3 months following the publication of the said advertisements the company shall have received no communication from such member or person; and

(d) notice shall have been given to the quotations department of the stock exchange in London of its intention to make such sale.

(2) To give effect to any such sale, the company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the company as a creditor for such amount which shall be a permanent debt of the company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the company or invested in such investments (other than shares of the company or its holding company if any) as the directors may from time to time think fit.

#### GENERAL MEETINGS.

Annual general meetings.

47. An annual general meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding annual general meeting) and place as may be determined by the directors. All other general meetings shall be called extraordinary general meetings.

Extraordinary general meetings.

48. The directors may whenever they think fit, and shall on requisition in accordance with the statutes, proceed with proper expedition to convene an extraordinary general meeting.

#### NOTICE OF GENERAL MEETINGS.

Notice.

49. An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution or (save as provided by the statutes) a resolution of which special notice has been given to the company, shall be called by 21 days' notice in writing at the least and any other extraordinary general meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of these articles entitled to receive such notices from the company: provided that a general meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed:



(a) in the case of an annual general meeting by all the members entitled to attend and vote thereat; and

(b) in the case of an extraordinary general meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

**Contents of notice.**

50.(1) Every notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear, with reasonable prominence in every such notice, a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the company.

(2) In the case of an annual general meeting, the notice shall also specify the meeting as such.

(3) In the case of any general meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

**Routine business.**

51. Routine business shall mean and include only business transacted at an annual general meeting of the following classes:

(a) declaring dividends;

(b) receiving and/or adopting the accounts, the reports of the directors and auditors and other documents required to be attached or annexed to the accounts;

(c) appointing, electing or re-electing directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;

(d) re-appointing the retiring auditors (unless they were last appointed otherwise than by the company in general meeting); and

(e) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed.

**OVERFLOW OF GENERAL MEETINGS.**

52. The directors may, notwithstanding that the notice of any general meeting may specify the place of the meeting (the "principal place"), at which the chairman of the

meeting shall preside, make arrangements for simultaneous attendance and participation at other places by members and proxies entitled to attend the general meeting but unable to attend and participate at the principal place.

53. Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the other places provided that they shall operate so that any members and proxies excluded from attendance at the principal place are able to attend at one or more of the other places. For the purpose of all other provisions of these articles any such meeting shall be treated as being held and taking place at the principal place.

54. The directors may, for the purpose of facilitating the organisation and administration of any general meeting to which such arrangements apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford all members and proxies entitled to attend the meeting an equal opportunity of being admitted to the principal place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any member or proxy to attend a general meeting at the principal place shall be subject to the arrangements as may be for the time being in force whether stated in the notice of meeting to apply to that meeting or notified to the members concerned subsequent to the provision of the notice of the meeting.

#### PROCEEDINGS AT GENERAL MEETINGS.

Chairman of meeting.

55. The chairman of the directors, failing whom any deputy chairman, failing whom any vice-chairman, shall preside as chairman at a general meeting. If there is no such chairman or deputy chairman or vice-chairman, or if at any meeting none is present within 10 minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number (or, if no director be present or if all the directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

Quorum.

56. No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. 3 members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Adjournment if quorum not present.

57. If within 10 minutes from the time appointed for a general meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine; in the latter case, not less than 7 days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the adjourned meeting 2 members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Adjournments.

58. The chairman of any general meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) 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. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the directors. When a meeting is adjourned for 30 days or more or sine die, not less than 7 days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

No notice of adjournments.

59. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Ruling on amendments to resolutions.

60. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

Method of voting.

61. 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:

(a) the chairman of the meeting;

(b) not less than 5 members present in person or by proxy and entitled to vote;

(c) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(d) a member or members present in person or by proxy and holding shares in the company 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.

Chairman's  
declaration.

62. A demand for a poll may be withdrawn only with the approval of the chairman and if it is so withdrawn:

(a) before the result of a show of hands is declared, the meeting shall continue as if the demand had not been made; or

(b) after the result of a show of hands is declared, the demand shall not be taken to have invalidated the result,

Taking of polls.

but if a demand is withdrawn, the chairman of the meeting or other member or members so entitled may himself or themselves demand a poll. Unless a poll is demanded, a declaration by the chairman of the meeting 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 that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) 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.

Chairman's  
casting vote.

63. 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 casting vote.

Time for taking  
a poll.

64. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. 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.

Voting rights  
of members.

65. Subject to any special rights or restrictions as to voting attached by or in accordance with these articles to any class of shares, on a show of hands every member who is present in person shall have 1 vote and on a poll every member who is present in person or by proxy shall have 1 vote for every share of which he is the holder.

Voting rights  
of joint  
holders.

66. 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 of members in respect of the share.

Voting rights  
in cases of  
mental  
disorder.

67. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any general meeting or to exercise any other right conferred by membership in relation to meetings of the company.

Restrictions  
on rights of  
members and  
persons  
interested  
in shares.

68.(1) No member shall, unless the directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy at a general meeting or a meeting of the holders of any class of shares in the company or to exercise any other right conferred by membership in relation to general meetings of the company or meetings of the holders of any class of shares in the company if any call or other sum presently payable by him to the company in respect of that share remains unpaid.

(2) If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 212 of the act and is in default for the prescribed period in supplying to the company the information thereby required, then (unless the directors otherwise determine) in respect of:

(a) the shares comprising the shareholding account in the register of members which comprises or includes the shares in relation to which the default

occurred (all or the relevant number as appropriate of such shares being the "default shares" which expression shall include any further shares which are issued in respect of such shares); and

(b) any other shares held by the member,

the member shall (for so long as the default continues) not nor shall any transferee to which any of such shares are transferred other than pursuant to an approved transfer or pursuant to paragraph (3)(b) of this article be entitled to vote either personally or by proxy at a general meeting of the company or a meeting of the holders of any class of shares in the company or to exercise any other right conferred by membership in relation to general meetings of the company or meetings of the holders of any class of shares in the company.

(3) Where the default shares represent at least 0.25 per cent. of the issued shares of the class in question, the directors may in their absolute discretion by notice (a "direction notice") to such member direct that:

(a) any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the company without any liability to pay interest thereon when such money is finally paid to the member; and/or

(b) no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer or:

(i) the member is not himself in default as regards supplying the information required; and

(ii) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a direction notice its terms shall apply accordingly.

(4) The company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the company to do so shall not invalidate such notice.

(5) (a) Save as herein provided, any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease

to have effect thereafter upon the directors so determining (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member).

(b) Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph (3)(b) of this article.

(6) For the purposes of this article:

(a) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under the said section 212 and either:

(i) the member has named such person as being so interested; or

(ii) (after taking into account the response of the member to the said notice and any other relevant information) the company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

(b) the prescribed period is 28 days from the date of service of the notice under the said section 212, except that if the shares in respect of which the said notice is given represent at least 0.25 per cent. of the issued shares of that class at the time of the giving of the relevant notice under the said section 212, the prescribed period is 14 days from such date; and

(c) a transfer of shares is an approved transfer if:

(i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in section 14 of the Company Securities (Insider Dealing) Act 1985); or

(ii) the directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any person appearing to be interested in such shares including any such sale made through the stock exchange or any other stock exchange outside the United Kingdom on which the company's shares are normally traded. For the purposes of this sub-paragraph, any associate (as that term is defined in section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares.

(7) The provisions of this article are in addition and without prejudice to the provisions of the act.

Objections to  
admissibility  
of votes.

69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

Votes on a  
poll.

70. On a poll, votes may be given either personally or by proxy and a person entitled to more than 1 vote need not use all his votes or cast all the votes he uses in the same way.

Proxies.

71. A proxy need not be a member of the company.

Execution of  
proxies.

72. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the directors may approve and:

(a) in the case of an individual, shall be signed by the appointor or his attorney; and

(b) in the case of a corporation, shall be either given under its common seal or executed in any manner prescribed by the statutes to have the same effect as if given under the common seal of the corporation or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the company) be lodged with the instrument of proxy pursuant to the next following article, failing which the instrument may be treated as invalid.

Deposit of  
proxies.

73. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the transfer office) not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or within 48 hours of the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid.



The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that an instrument of proxy relating to more than 1 meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

Differing proxies.

74. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share and if the company is unable to determine which was last delivered none of them shall be treated as valid in respect of that share.

Rights conferred by instruments appointing proxies.

75. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

Intervening events.

76. A vote cast, or poll demanded, by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the company at the transfer office at least 24 hours before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

#### CORPORATIONS ACTING BY REPRESENTATIVES.

Corporate representatives.

77. Any corporation which is a member of the company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the company and such corporation shall for the purposes of these articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

## DIRECTORS.

- |                                     |  |
|-------------------------------------|--|
| Number of directors.                | 78. Subject as hereinafter provided the directors shall not be less than 7 nor more than 36 in number. The company may by ordinary resolution from time to time vary the minimum number and/or maximum number of directors.  |
| Qualification of directors.         | 79. The qualification of a director shall be the holding alone and not jointly with any other person of shares in the company of any class of the nominal amount of £250.  |
| Ordinary remuneration of directors. | 80. The remuneration of the directors (exclusive of any remuneration payable to any director or directors under any other article) shall be determined by ordinary resolution of the company and, unless otherwise resolved by the shareholders, shall be divisible among the directors as they may agree. All such remuneration shall accrue from day to day. Every resolution determining the remuneration of the directors shall remain in force until expressly rescinded or varied.                   |
| Extra remuneration of directors.    | 81. Any director who holds any executive office (including, for this purpose, the office of chairman or deputy chairman or vice-chairman whether or not such office is held in an executive capacity), or who serves on any committee of the directors, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, commission or otherwise as the directors may determine. |
| Expenses.                           | 82. The directors may repay to any director all such reasonable expenses as he may incur in attending and returning from meetings of the directors or of any committee of the directors or general meetings or otherwise in connection with the business of the company.   |
| Power to pay certain benefits.      | 83.(1) The directors shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any director, ex-director, regional director or employee of the company and the widow and dependants of any such person and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.  |
| Power to insure officers.           | (2) Without prejudice to the provisions of article 147, the directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the company, or of any other company which is its holding company or in which the company or such holding company or any of the predecessors of the company or of such holding company has any interest, whether direct                                      |

or indirect, or which is in any way allied to or associated with the company, or of any subsidiary undertaking of or any other body, whether or not incorporated ("body"), owned by or in which an interest is owned by the company or any such other company, or who are or were at any time trustees of any pension fund in which employees of the company or any such other company or subsidiary undertaking or body are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the company or any such other company, subsidiary undertaking, body or pension fund.

Directors may be interested in contracts with the company and be remunerated for office.

84. A director may be party to or in any way interested in any contract or arrangement or transaction to which the company is a party or in which the company is in any way interested and he may be a customer of the company in the ordinary course of banking business and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the company or any subsidiary thereof) under the company or any other company in which the company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed by him) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

Appointment to executive office.

85.(1) The directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of chairman or deputy chairman or vice-chairman) on such terms and for such period as they may (subject to the provisions of the statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

Determination of office.

(2) The appointment of any director to the office of chairman or deputy chairman or vice-chairman or managing or joint managing or deputy or assistant managing director shall automatically determine if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the company.

(3) The appointment of any director to any other executive office shall not automatically determine if he ceases from any cause to be a director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the company.

Powers of holders of executive office.

86. The directors may entrust to and confer upon any director holding any executive office 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.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS.

Ineligibility of directors over a specified age.

87. Any provision of the statutes which, subject to the provisions of these articles, would have the effect of rendering any person ineligible for appointment, election or re-election 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 or any other special formality in connection with the appointment, election or re-election of any director over a specified age, shall apply to the company.

Vacation of office of director.

88. The office of a director shall be vacated in any of the following events:

(a) if he shall become prohibited by law from acting as a director;

(b) if he shall resign by writing under his hand left at the office or if he shall in writing offer to resign and the directors shall resolve to accept such offer;

(c) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that act;

(d) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;

(e) if (not being already qualified) he does not obtain his qualification within 2 months after his appointment, or at any time thereafter ceases to hold his qualification;

(f) if he shall be required by resolution passed or concurred in in writing, by not less than three-quarters of the directors for the time being, to resign, and shall fail to do so within 14 days after the receipt of notice of such resolution, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the company; or

(g) if he shall be absent from meetings of the directors for 6 months without leave, and the directors resolve that his office be vacated.

Retirement of directors by rotation.

89. At each annual general meeting, one-third of the directors for the time being (or, if their number is not a multiple of 3, the number nearest to but not greater than one-third) shall retire from office by rotation. Provided that no director holding office as an executive chairman or as managing or joint managing director shall be subject to retirement by rotation or be taken into account in determining the number of directors to retire.

Selection of directors to retire by rotation.

90. The directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those of the other directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Subject in the case of a director who is over the age of 70 to a resolution of which special notice has been given being passed as required by section 293(5) of the act, a retiring director shall be eligible for re-election.

Vacated offices.

91.(1) The company at the meeting at which a director retires under any provision of these articles may by ordinary resolution fill the office being vacated by re-electing thereto the retiring director or some other person eligible for appointment. In default, the retiring director shall be deemed to have been re-elected, except in any of the following cases:

(a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such director is put to the meeting and lost;

(b) where such director has given notice in writing to the company that he is unwilling to be re-elected;

(c) where the default is due to the moving of a resolution in contravention of the next following article.

(2) The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to appoint some other person in the place of the retiring director or a resolution for his re-election is put to the meeting and lost. Accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without a break save that notwithstanding the provisions of section 293(6) of the act, a person re-elected a director on retiring on account of age, or a person appointed at an annual general meeting in place of a director so retiring, shall be deemed for the purpose of the rotation of directors to have been re-elected or appointed at the meeting at which he was so re-elected or appointed and not before.

Appointment of directors to be voted on individually.

92. A resolution for the appointment, election or re-election of 2 or more persons as directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

Notice of intention to appoint a director.

93. No person other than a director retiring at the meeting shall, unless recommended by the directors for appointment, be eligible for appointment as a director at any general meeting unless not less than 7 nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for appointment and also notice in writing signed by the person to be proposed of his willingness to be appointed.

Removal of directors.

94. The company may, in accordance with and subject to the provisions of the statutes, by ordinary resolution of which special notice has been given, remove any director from office (notwithstanding any provision of these articles or of any agreement between the company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a director so removed from office. Any person so appointed shall be treated for the purpose of determining the time at which he or any other director is to retire by rotation as if he had become a director on the day on which the director in whose place he is appointed was last elected or re-elected a director.

In default of such appointment, the vacancy arising upon the removal of a director from office may be filled as a casual vacancy.

**Appointment of directors.**

95. The company may by ordinary resolution appoint any person to be a director either to fill a casual vacancy or as an additional director. Without prejudice thereto, the directors shall have power at any time so to do, but so that the total number of directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these articles. Any person so appointed by the directors shall hold office only until the next annual general meeting and shall then be eligible for election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

**MEETINGS AND PROCEEDINGS OF DIRECTORS.**

**Meetings of directors.**

96.(1) Subject to the provisions of these articles, the directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

**Participation in meetings by telephone.**

(2) Any one or more (including, without limitation, all) of the directors, or any committee of the directors, may participate in a meeting of the directors or of such committee:

(a) by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time; or

(b) by a succession of telephone calls to directors from the chairman of the meeting following disclosure to them of all material points.

Participating by such means shall constitute presence in person at a meeting. Such meeting shall be deemed to have occurred, in the case of (a), at the place where most of the directors participating are present or, if there is no such place, where the chairman of the meeting is present and, in the case of (b), where the chairman of the meeting is present.

(3) At any time any director may, and the secretary on the requisition of a director shall, summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom. Any director may waive notice of any meeting and any such waiver may be retroactive.

- Quorum. 97. The quorum necessary for the transaction of business of the directors may be fixed from time to time by the directors and, unless so fixed at any other number, shall be 2. A meeting of the directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.
- Voting. 98. Questions arising at any meeting of the directors shall be determined by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- Restrictions on voting. 99.(1) Save as herein provided, a director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (2) Subject to the provisions of the statutes, a director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:
- (a) the giving of any security or indemnity to him pursuant to the provisions of article 147 or in respect of money lent or obligations incurred by him at the request of or for the benefit of the company or any of its subsidiaries;
  - (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (c) any proposal concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiaries for subscription or purchase if he is or is to be interested as a participant in the underwriting or sub-underwriting of such offer;



(d) any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him within the meaning of section 346 of the act) is not beneficially interested in 1 per cent. or more of the issued shares of any class in such body corporate (or in any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this article to be a material interest in all circumstances);

(e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme or employees' share scheme under which he may benefit; or

(f) any proposal concerning any insurance which the company is empowered to purchase and/or maintain for or for the benefit of any directors or for persons who include directors of the company provided that for the purposes of this sub-paragraph insurance shall mean only insurance against liability incurred by a director in respect of any act or omission by him referred to in article 83(2) or any other insurance which the company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including directors of the company.

(3) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments with the company or any company in which the company is interested, such proposals may be divided and considered in relation to each director separately and in such case each of the directors concerned (if not debarred from voting under the proviso in paragraph (2)(d) of this article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(4) If any question shall arise at any time as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman (or, in the case of a question as to the materiality of an interest or entitlement to vote of the chairman, the deputy chairman)

of the meeting and his ruling in relation to any other director shall be final and conclusive, except in a case where the nature or extent of the interest of such director has not been fairly disclosed.

(5) The company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any transaction not duly authorised by reason of a contravention of this article.

Proceedings in  
case of  
vacancies.

100. The continuing directors may act notwithstanding any vacancies, but if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these articles; the continuing directors or director may act for the purpose of filling such vacancies or of summoning general meetings, but not for any other purpose. If there be no directors or director able or willing to act, then any 2 members may summon a general meeting for the purpose of appointing directors.

Chairman.

101.(1) The directors may elect from their number a chairman and a deputy chairman and a vice-chairman, (or two or more deputy chairmen or vice-chairmen) and determine the period for which each is to hold office. The chairman, failing whom a deputy chairman, failing whom a vice-chairman, shall preside as chairman at a meeting of the directors. If no chairman, deputy chairman or vice-chairman shall have been appointed or if at any meeting of the directors either:

(a) those of the chairman, deputy chairman and vice-chairman who have been appointed shall have given prior notice to the secretary that they will not be attending the meeting; or

(b) no chairman, deputy chairman or vice-chairman shall be present within 5 minutes after the time appointed for holding the meeting,

the directors present may choose one of their number to be chairman of the meeting.

(2) If at any time there is more than one deputy chairman or vice-chairman, the right (in the absence of the chairman or of the chairman and the deputy chairmen respectively) to preside at a meeting of the directors or of the company shall be determined as between the deputy chairmen or vice-chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the directors.

Resolutions in writing.

102. A resolution in writing signed by all the directors for the time being in the United Kingdom shall be as effective as a resolution duly passed at a meeting of the directors and may consist of several documents in the like form each signed by one or more directors.

Power to appoint committees.

103. The directors may delegate any of their powers or discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the directors) to committees consisting of 1 or more members of their body and (if thought fit) 1 or more other persons co-opted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee, any reference in these articles to the exercise by the directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than directors and for such co-opted members to have voting rights as members of the committee but so that (a) the number of co-opted members shall be less than one-half of the total number of members of the committee and (b) no resolution of the committee shall be effective unless a majority of the members of the committee present when the resolution is passed at the meeting are directors.

Committee meetings.

104. The meetings and proceedings of any such committee consisting of 2 or more members (including the exercise of all powers and discretions vested in such committee) shall be governed mutatis mutandis by the provisions of these articles regulating the meetings and proceedings of the directors (including the exercise of all such powers and discretions), so far as the same are not superseded by any regulations made by the directors or, as the case may be, any such committees under article 103.

Validity of acts of directors and committees in spite of formal defects.

105. All acts done by any meeting of directors, or of any such committee, or by any person acting as a director or as a member of any such committee, shall as regards all persons dealing in good faith with the company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons 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 or member of the committee and had been entitled to vote.

## BORROWING POWERS.

Power of directors to borrow and grant security.

106. Subject to the provisions of the statutes, the directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property (present and future) and uncalled capital or any part or parts thereof and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

## GENERAL POWERS OF DIRECTORS.

General power of directors to manage the company's business.

107. The business and affairs of the company shall be managed by the directors, who may exercise all such powers of the company as are not by the statutes or by these articles required to be exercised by the company in general meeting subject to any regulations of these articles, to the provisions of the statutes and to such regulations, whether or not consistent with these articles, as may be prescribed by special resolution of the company, but no regulation so made by the company 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 limited or restricted by any special authority or power given to the directors by any other article.

Power to establish local boards or agencies.

108. The directors may:

- (a) establish any local boards or agencies for managing any of the affairs of the company, either in the United Kingdom or elsewhere;
- (b) appoint any persons to be members of such local boards, or any managers or agents;
- (c) fix their remuneration;
- (d) delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate;
- (e) authorise the members of any local boards, 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;

- (f) remove any person so appointed; and
- (g) 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.

In particular but without limitation, the directors may from time to time:

- (i) appoint any person to an office of employment having a designation or title including the word "director", including without limitation that of "regional director", or attach to any existing office of employment with the company such a designation or title and may at any time determine any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of such office of employment with the company shall not imply that the holder thereof is a director of the company nor shall such holder thereby be empowered in any respect to act as a director of the company or be deemed to be a director for any of the purposes of these articles; and
- (ii) delegate all or any of their powers, authorities and discretions to any wholly-owned subsidiary or subsidiaries of the company for such period and subject to such conditions as they may think fit.

Power to  
appoint  
attorneys.

109. The directors may, from time to time and at any time, by power of attorney or otherwise 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 articles) and for such period and subject to such conditions as they may think fit. Any such appointment 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.

Branch  
registers  
of members.

110. Subject to and to the extent permitted by the statutes, the company, or the directors on behalf of the company, may cause to be kept in any territory a branch register of members resident in such territory, and the directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

Execution of negotiable instruments.

111. 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.

#### SECRETARY.

Appointment of secretary.

112. The secretary shall be appointed by the directors on such terms and for such period as they may think fit. Any secretary so appointed may at any time be removed from office by the directors, but without prejudice to any claim for damages for breach of any contract of service between him and the company. If thought fit, 2 or more persons may be appointed as joint secretaries. The directors may also appoint from time to time on such terms as they may think fit one or more deputy and/or assistant secretaries.

#### THE SEAL.

Custody of the seal.

113.(1) Subject to the provisions of this article, the directors may make such regulations as they think fit governing the safe custody, use and affixing of the seal and the securities seal.

Formalities for affixing the seal.

(2) Every instrument to which the seal shall be affixed shall be signed autographically by 1 director (or some other person appointed by the directors for that purpose) and the secretary or deputy or assistant secretary or some other person appointed by the directors for that purpose or by 2 directors, save that, as regards any certificates for shares or debentures or other securities of the company, the directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

Documents effective as if executed under seal.

(3) Where the statutes so permit, any instrument signed by 1 director and the secretary or by 2 directors and expressed to be executed by the company shall have the same effect as if executed under the seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended to have effect as a deed without the authority of the directors or of a committee or person authorised by the directors in that behalf.

(4) The securities seal shall be used only for sealing securities issued by the company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the securities seal shall not require to be signed.

Power to have a seal for use abroad.

114. The company may exercise the powers conferred by the statutes with regard to having an official seal for use abroad and such powers shall be vested in the directors.

#### AUTHENTICATION OF DOCUMENTS.

Power to authenticate documents.

115. 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 and any resolutions passed by the company or the directors or any committee, 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 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 as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the company or of the directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

#### RESERVES.

Reserves.

116. The directors may from time to time set aside out of the profits of the company and carry to reserve such sums as they think proper, which, at the discretion of the directors, shall be applicable for any purpose to which the profits of the company may properly be applied and pending such application may either be employed in the business of the company or be invested. The directors may divide the reserve into such special funds as they think fit and may consolidate into 1 fund any special funds or any parts of any special funds into which the reserve may have been divided. The directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the directors shall comply with the provisions of the statutes.

#### DIVIDENDS.

Declaration of dividends by the company.

117. The company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the directors.

Limitation on dividends.

118. When the amount of the reserve (referred to in article 116) is less than one-fifth of the then paid-up capital, no dividend shall be paid or declared unless and until such profits as are necessary to restore the amount of the reserve to one-fifth of the then paid-up capital are carried to such reserve.

Payment of dividends by directors.

119. If and so far as in the opinion of the directors the profits of the company justify such payments, the directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed days on the half-yearly or other days prescribed for the payment thereof and may also from time to time pay any dividend on shares of any class of such amounts and on such days and in respect of such periods as they think fit.

Apportionment of dividends.

120. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) 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. For the purposes of this article, no amount paid on a share in advance of calls shall be treated as paid on the share.

Profits available for distribution to be used in payment.

121. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the statutes.

Share alternative for dividend.

122. Subject to and without prejudice to the provisions of articles 117, 118 and 119, the directors may offer the holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of all or part of such dividend or dividends as may be proposed to be declared by the company pursuant to article 117, or as the case may be, proposed to be paid by the directors pursuant to article 119, subject to such exclusions or restrictions as the directors may, in their absolute discretion, deem necessary or desirable in relation to compliance with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory.

Such offer may be made by the directors upon such terms and conditions as they think fit provided that the following provisions shall apply in any event:



(a) the basis of allotment shall be determined by the directors so that, as nearly as may be considered convenient without involving any rounding-up of fractions, the value (calculated by reference to the average quotation) of the new ordinary shares (including any fractional entitlement) to be allotted instead of any amount of dividend shall equal such amount. For such purpose, the "average quotation" of an ordinary share shall be the average of the middle market quotations for a fully paid ordinary share in the company as derived from the daily official list of the stock exchange on the business day on which the ordinary shares are first quoted "ex" the relevant dividend and the 4 subsequent business days;

(b) no ordinary shareholder may receive a fraction of a share;

(c) the directors, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them, and shall send with, or following, such notification forms of election and specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective;

(d) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect whereof an election has been duly made (the "elected ordinary shares") and instead thereof additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid.

For such purpose, the directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the directors may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis. A resolution of the directors capitalising any part of the reserves or profits hereinbefore mentioned shall have the same effect as if such capitalisation had been declared by ordinary resolution of the company in accordance with article 132; and

(e) the additional ordinary shares so allotted shall be allotted as of the record date for the dividend in respect of which the right of election has been offered and shall rank pari passu in all respects with the fully paid ordinary shares then in issue except that the shares so allotted will not rank for any dividend or other distribution or other entitlement which has been declared, made, paid or payable by reference to such record date.

Power to deal with profits and losses from past date.

123. Subject to the provisions of the statutes, where any asset, business or property is bought by the company as from a past date the profits and losses thereon as from such date may at the discretion of the directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the company.

Dividends not to bear interest.

124. No dividend or other moneys payable on or in respect of a share shall bear interest as against the company.

Deduction of debts due to company.

125.(1) The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the company on account of calls or otherwise.

Retention of dividends where the company has a lien.

(2) The directors may retain any dividend or other moneys payable on or in respect of a share on which the company has a lien and may apply the same in or towards satisfaction of the moneys payable to the company in respect of that share.

Retention of dividends on transmission pending registration.

(3) The directors may retain the dividends 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 is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

Waiver of dividends.

126. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the company and if or to the extent that the same is accepted as such or acted upon by the company.

Unclaimed dividends.

127. The payment by the directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the company a trustee in respect thereof and any dividend unclaimed after a period of 12 years from the date of declaration of such dividend shall be forfeited and shall revert to the company.

Distribution of assets as dividend.

128. The company may upon the recommendation of the directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the directors.

Dividends payable by cheque or warrant.

129. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if 2 or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct or may be paid by such other means as the directors may determine to or to the order of the member or person entitled thereto at such address as he may specify.

Where such dividend or other moneys are or are to be paid by cheque, warrant or mandate, as the case may be, every such cheque, warrant or mandate shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law may direct and payment of the cheque or warrant or the sums payable pursuant to such mandate by the banker upon whom it is drawn or, as the case may be, who is required to fulfil the mandate, shall be a good discharge to the company. Every such cheque or warrant or, in the case of a mandate, the moneys represented thereby, shall be sent at the risk of the person entitled to the money represented thereby. Subject to the provisions of these articles and to the rights attaching to, or the terms of issue of, any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the directors may determine.

The company may cease to send any cheque, warrant or order by post for any dividend payable on any shares in the company which is normally paid in that manner if in respect of at least 2 consecutive dividends payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed but, subject to the provisions of these articles, shall recommence sending cheques, warrants or orders in respect of dividends payable on those shares if the holder or the person entitled by transmission claims the arrears of dividend and does not instruct the company to pay future dividends in some other way.

Dividends due to joint holders.

130. If 2 or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any 1 of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

Dividend payable to holders on a specified date.

131. Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the company in general meeting or a resolution of the directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular day, notwithstanding that it may be a day prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

#### CAPITALISATION OF PROFITS AND RESERVES.

Power to capitalise profits.

132. The directors may, with the sanction of an ordinary resolution of the company, capitalise any sum standing to the credit of any of the company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of ordinary shares on the register at the close of business on the day of the resolution (or such other day as may be specified therein or determined as therein provided) in proportion to their then holdings of ordinary shares and applying such sum on their behalf in paying up in full unissued ordinary shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

The directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the company rather than to the members concerned). The directors may authorise any person to enter on behalf of all the members interested into an agreement with the company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Power to capitalise on adjustment of subscription price in an employees' share scheme.

133. Notwithstanding any other provisions contained in these articles, if an adjustment is made to the subscription price payable by an optionholder under any employees' share scheme operated by the company which results in the adjusted price per share payable on the exercise of an option in respect of an ordinary share being less than the nominal value of such ordinary share (the "adjusted price"), the directors may capitalise all or part of the company's reserves available for distribution (excluding any share premium account, capital redemption reserve or other undistributable reserve), upon the issue of any ordinary share in respect of and following the exercise of the relevant option (the "new share"). The amount to be so capitalised shall be equal to the difference between the adjusted price and the nominal value of the new share. The directors shall apply such amount in paying up in full the balance payable on the new share. The directors may take such steps as they consider necessary to ensure that the company has sufficient reserves available for such application. No further authority of the company in general meeting is required.

#### ACCOUNTS.

Inspection of accounting records.

134. Accounting records sufficient to show and explain the company's transactions and otherwise complying with the statutes shall be kept at the office, or at such other place as the directors think fit, and shall always be open to inspection by the officers of the company. Subject as aforesaid, no member of the company or other person shall have any right of inspecting any account or book or document of the company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the directors.

Copies of accounts.

135. A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the company (including every document required by law to be comprised therein or attached or annexed thereto)

Power to send summary financial statements.

shall not less than 21 days before the date of the meeting be sent to every member of, and every holder of debentures of, the company and to every other person who is entitled to receive notices of meetings from the company under the provisions of the statutes or of these articles. Provided that this article shall not require a copy of these documents to be sent:

(a) to any member or, subject to the provisions of the statutes, any other person to whom a summary financial statement is sent in accordance with the statutes; and

(b) to more than one of joint holders or to any person of whose address the company is not aware,

but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.

#### AUDITORS.

Validity of acts of auditors in spite of formal defects.

136. Subject to the provisions of the statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

Auditors' rights to receive notice of, attend and speak at general meetings.

137. An auditor shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns him as auditor.

#### NOTICES.

Service of notices.

138. Any notice or document (including a share certificate) may be served on or delivered to any member by the company either personally or by sending it through the post addressed to such member at his registered address including for this purpose any address so registered in any branch register established as provided by article 110, or (other than in the case of a member having an address registered in any such branch register as aforesaid, if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the company as his address for the service of notices, or by addressing it as aforesaid and delivering it to such address.

Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of 24 hours (or, where second-class mail is employed, 48 hours) after the time when the cover

containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. The company may at its discretion serve any notice or document (including a share certificate) on any member who is an employee of the company or any subsidiary of the company by sending it through the company's internal postal systems and service shall be deemed to be effected at the expiration of 24 hours after the time when the cover containing the same is despatched in the internal postal systems. The company's records of such dispatch shall be deemed to be proof of such service.

The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

Service of notices in respect of joint holdings.

139. Any notice given to that one of the joint holders of a share whose name stands first in the register of members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose, a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

Service of notices after death or bankruptcy, etc., of member.

140. A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law upon supplying to the company such evidence as the directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the address of any member in pursuance of these articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

Members with no addresses within the United Kingdom.

141. Other than in the case of a member who has an address registered on a branch register established as provided by article 110, a member who (having no registered address within the United Kingdom) has not supplied to the company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the company.

Service of notices during suspension of postal services.

142. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom, the company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same day in at least 2 national daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears. In any such case, the company shall send confirmatory copies of the notice by post if at least 7 days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

Statutory requirements unaffected.

143. Nothing in any of the preceding 5 articles shall affect any requirement of the statutes that any particular offer, notice or other document be served in any particular manner.

#### WINDING UP.

Power to wind up.

144. The directors shall have power in the name and on behalf of the company to present a petition to the court for the company to be wound up.

Power to divide assets in specie.

145. If the company shall be wound up (whether the liquidation is 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 or other property in respect of which there is a liability.

#### DECLARATION OF SECRECY.

Secrecy.

146. The auditors and employees of the company shall subscribe such a declaration as the directors from time to time prescribe, engaging themselves to observe secrecy with respect to the dealings and the state of the accounts of the several customers of, and persons dealing with, the



company and any other matters which come to their respective knowledge by virtue of their respective offices except only so far as it is necessary in the execution of their respective offices, trusts, or duties, to disclose the same.

#### INDEMNITY.

##### Indemnity.

147. Subject to the provisions of and so far as may be consistent with the statutes, every person who is or was at any time a director, auditor, secretary, or other officer of the company, shall be entitled to be indemnified by the company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer of the company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application for relief from liability in respect of any such act or omission in which relief is granted to him by the court.

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IN THE HIGH COURT OF JUSTICE No.: 00762 of 1956  
CHANCERY DIVISION

Re: LLOYDS BANK LIMITED

and

Re: THE COMPANIES ACT, 1948

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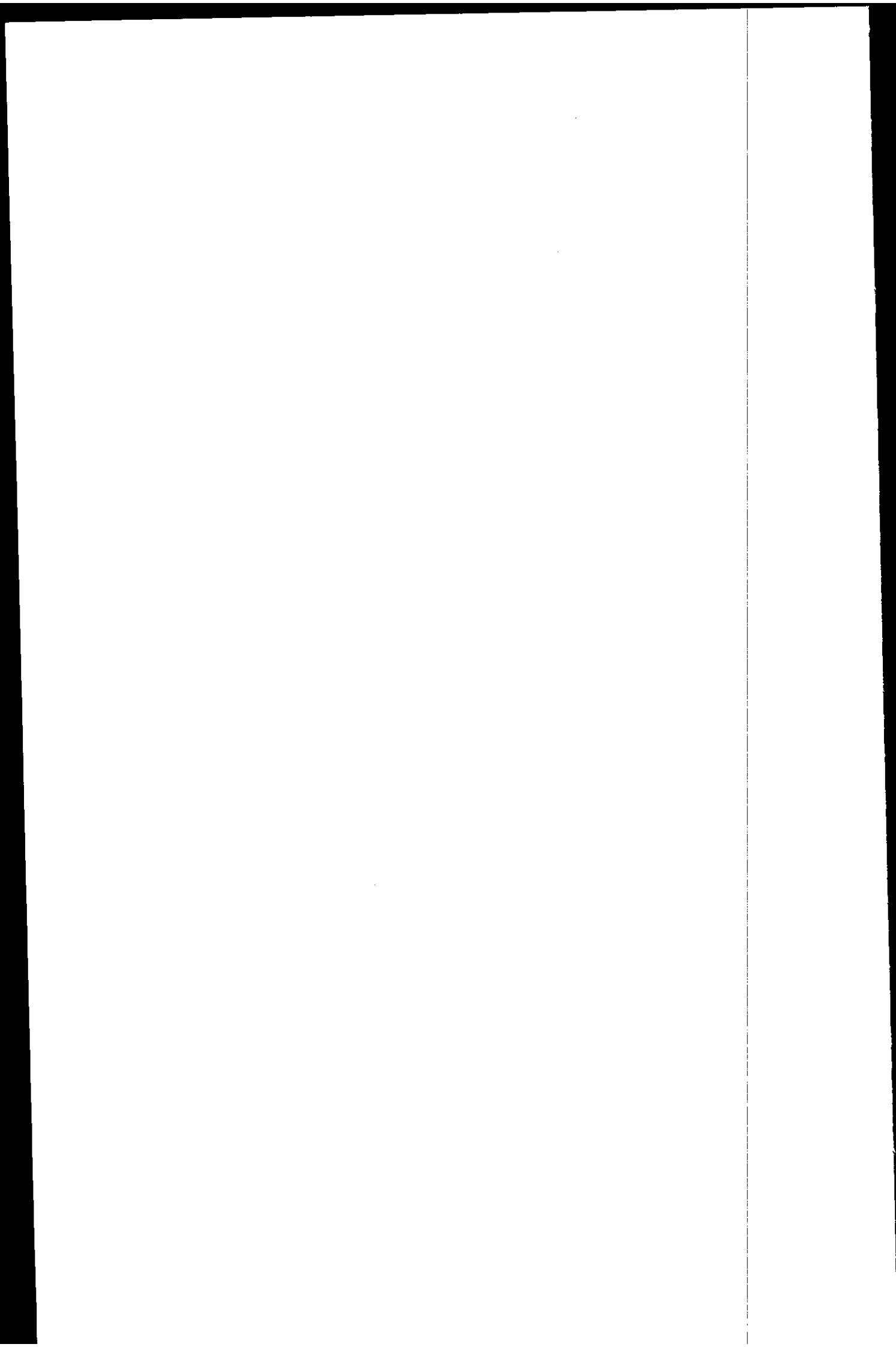
MINUTE

approved by the court by order  
dated 12 November 1956

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The capital of Lloyds Bank Limited was by virtue of a special resolution and with the sanction of an order of the High Court of Justice dated 12 November 1956 reduced from £74,000,000 consisting of 14,500,000 "A" shares of £5 each £1,437,296 "B" stock and 62,704 "B" shares of £1 each to £18,565,070 consisting of 14,372,956 "A" shares of £1 5s. 0d. each and £598,875 "B" stock. At the date of the registration of this minute all the said 14,372,956 "A" shares have been issued and are deemed to be fully paid up. The said special resolution contains provisions to take effect upon the said reduction of capital taking effect (a) sub-dividing and consolidating the said 14,372,956 "A" shares of £1 5s. 0d. each into 17,966,195 "A" shares of £1 each (b) re-converting the said £598,875 "B" stock into 598,875 "B" shares of £1 each (c) amalgamating the said 17,966,195 "A" shares and the said 598,875 "B" shares into a single class of 18,565,070 shares of £1 each and (d) increasing the capital of the company to its former amount of £74,000,000 by the creation of 55,434,930 shares of £1 each.

Note. - The above minute together with a copy of the order referred to therein was filed with the Registrar of Companies on 28 November 1956.



## LLOYDS BANK LIMITED

At an extraordinary general meeting of the members of the company, duly convened and held at the head office, 71 Lombard Street, London on Friday 21 October 1977, the following resolutions were duly proposed and passed in the case of resolution numbered (1) as an ordinary resolution and in the case of resolution numbered (2) as a special resolution:

### RESOLUTIONS

- (1) That the directors be and they are hereby authorised to establish and carry into effect three schemes to be known as "The Lloyds Bank Limited staff profit sharing scheme 1977", "The Lloyds Bank Limited savings-related share option scheme 1977" and "The Lloyds Bank Limited senior executives' share option scheme 1977", embodying the features set out in appendices I, II and III respectively to the chairman's letter accompanying the notice of this meeting.
- (2) That each director of the company be and he is hereby authorised to vote as a director and to be counted in the quorum on any matter connected with the above mentioned schemes (except that no director may vote or be counted in the quorum on a matter concerning his personal participation therein) notwithstanding that he may be interested in the schemes and that the provisions of the articles of association of the company be and the same are (except as aforesaid) hereby relaxed to that extent accordingly.

D H Davies  
Secretary

April 1992

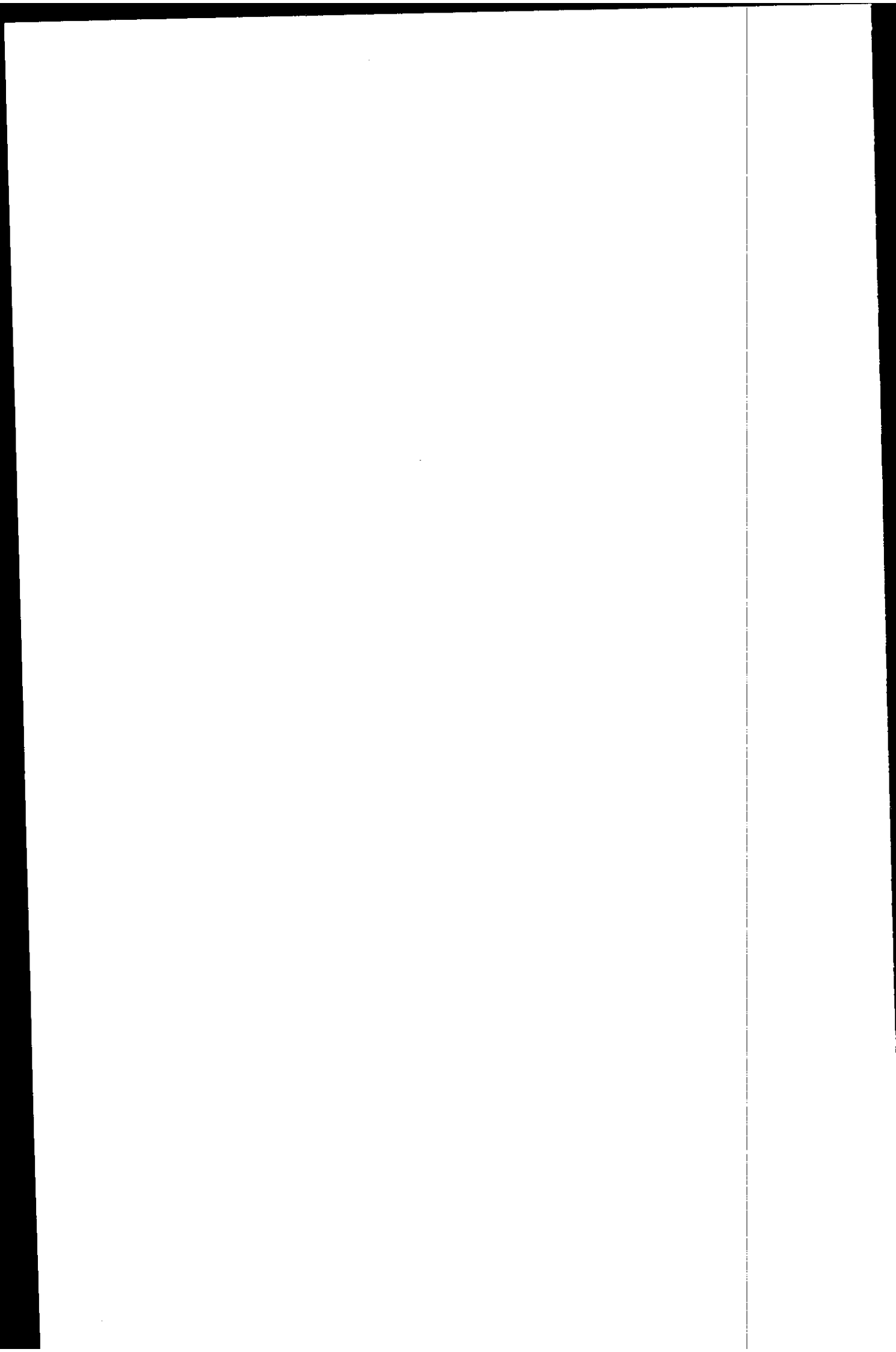
## LLOYDS BANK LIMITED

At an extraordinary general meeting of the members of the company, duly convened and held at the head office, 71 Lombard Street, London on Thursday 18 December 1980, the following resolution was duly proposed and passed as a special resolution:

### RESOLUTION

That the bill as proposed to be introduced into parliament and intituled "A bill to provide for the transfer to Lloyds Bank Limited of the undertaking of Lewis's Bank Limited; and for other purposes incidental thereto and consequential thereon" now submitted to this meeting be and the same is hereby approved subject to such additions, alterations and variations as parliament may think fit to make therein and as the directors of the company may approve.

Jeremy Morse  
Chairman





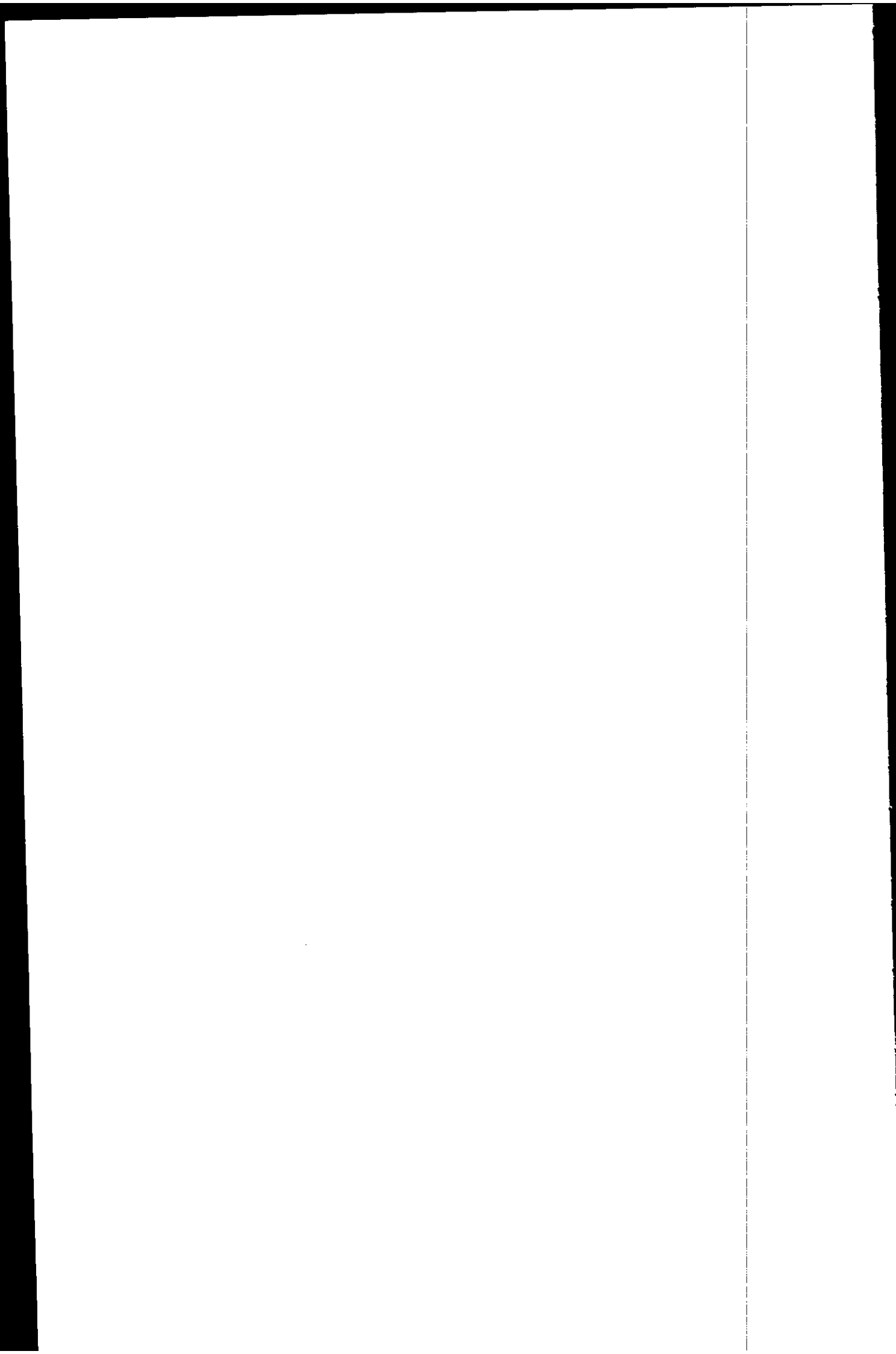
## LLOYDS BANK Plc

At an extraordinary general meeting of the members of the company, duly convened and held at the head office, 71 Lombard Street, London on Thursday 24 January 1985, the following resolution was duly proposed and passed as a special resolution:

### RESOLUTION

That a bill entitled "A bill to provide for the vesting in Lloyds Bank Plc of the undertaking of Lloyds Bank International Limited; and for other purposes", a copy of which has been produced to this meeting and for the purpose of identification signed by the chairman thereof, be and the same is hereby approved subject to such additions, alterations and variations as parliament may think fit to make therein and as the directors may approve.

Jeremy Morse  
Chairman



## LLOYDS BANK Plc

At the annual general meeting of the members of the company, duly convened and held at the head office, 71 Lombard Street, London on Wednesday 24 April 1991, the following resolution was duly proposed and passed as a special resolution:

### RESOLUTION

That:

- (a) the regulations in the form produced to the meeting and signed by the chairman for identification be approved and adopted as the new articles of association of the company in substitution for and to the exclusion of the existing articles of association; and
- (b) clause 4 of the memorandum of association be altered by the deletion of the last 26 words of paragraph (AA), by the insertion, after paragraph (AA), of the following new paragraph (BB) and by the redesignation of subsequent paragraphs accordingly:
  - "(BB) (i) to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the company, or of any other company which is its holding company or in which the company or such holding company or any of the predecessors of the company or of such holding company has any interest, whether direct or indirect, or which is in any way allied to or associated with the company, or of any subsidiary undertaking of or any other body, whether or not incorporated ("body"), owned by or in which an interest is owned by the company or any such other company, or who are or were at any time trustees of any pension fund in which employees of the company or any such other company or subsidiary undertaking or body are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the company or any such other company, subsidiary undertaking, body or pension fund; and
  - (ii) to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability.

For the purposes of this paragraph "holding company" and "subsidiary undertaking" shall have the same meanings as in the Companies Act 1989."

A J Michie  
Secretary

April 1992

# **LLOYDS BANK Plc**

At the annual general meeting of the members of the company, duly convened and held at The Conference Forum, The Sedgwick Centre, London on Thursday, 30 March 1995, the following resolutions were duly proposed and passed in the case of resolution numbered (1) as an ordinary resolution and in the case of resolution numbered (2) as a special resolution:

## **RESOLUTIONS**

- (1) That the authority existing at the date of this annual general meeting conferred on the directors by paragraph (2)(a) of article 11 of the company's articles of association be extended so that the "section 80 prescribed period" shall commence on the day of the passing of this resolution and shall end on 29 March 2000 and for that period the "section 80 amount" shall be £250,560,756.
- (2) That the power conferred on the directors by paragraph (2)(b) of article 11 of the company's articles of association be renewed for the period ending on the day of the annual general meeting in 1996 or on 30 June 1996, whichever is the earlier, and for that period the "section 89 amount" shall be £64,859,822.

A J Michie  
Secretary

March 1995

