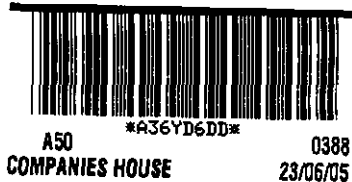


THE COMPANIES ACT 1985 (as amended)

COMPANY LIMITED BY SHARES



ARTICLES OF ASSOCIATION

OF

ARBUTHNOT SECURITIES LIMITED (the "Company")

**(Adopted by a Written Resolution passed on 10 November 2003 and amended by
Special Resolutions passed on 28 February and 20 June 2005)**

1. Preliminary

In these Articles, "**Table A**" means Table A in the Companies (Tables A-F) Regulations 1985 as amended prior to the date of adoption of these Articles. The regulations contained in Table A shall, except where they are excluded or modified by these Articles, apply to the Company and together with these Articles, shall constitute the Articles of Association of the Company. No other regulations set out in any statute concerning companies or any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or Articles of the Company.

2. Interpretation

Words and expressions which bear particular meanings in Table A shall bear the same meanings in these Articles. In these Articles, "**address**" in relation to electronic communications includes any number or address used for the purposes of such communications. References in these Articles to "**writing**" include references to any method of representing or reproducing words in a legible and non-transitory form including by way of electronic communications which specifically provided in a particular article or where permitted by the directors in their absolute discretion. Headings are for convenience only and shall not affect construction. If, and for so long as, the Company has only one member, these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to such a company.

3. Shares

3.1 Subject to the provisions of the Companies Act 1985 the Company may

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as shall be provided by Article 3.2;
- (b) purchase its own shares.

Regulation 3 of table A shall not apply to the Company

- 3.2** Any redeemable preference shares issued by the Company shall carry the rights and be subject to the restrictions following, namely:
- (a) As regards income. A holder of redeemable preference shares shall be entitled to a non-cumulative dividend at the rate of 3% p.a. over 6 month London Inter bank Offered Rate per £1 nominal of shares held each year, subject to the profits available for distribution being adequate to make payment in full to each such preference share then in issue. There will be no liability on the Company in any future year to make good any deficiency in respect of prior years.
 - (b) As regards capital. The Company or the holder may, on giving one month's written notice to the holders of the redeemable preference shares or the Company as the case may be, redeem at par value some or all of the preference shares in issue out of distributable profits, provided no breach of the Company's capital ratio requirements occurs as a result of exercising the right to redeem, or out of the proceeds of a fresh issue of shares made for this purpose, provided that no exercise of this right may be made until a date of five years and one day after the issue of the shares in question. Any partial redemption will be exercised pro rata to the shares then registered in the name of each holder on the redemption date.
 - (c) As regards voting. A holder of redeemable preference shares shall have the right to receive notice of and to be present as well as to speak at any General Meeting in the same manner as a holder of ordinary shares, but shall only be entitled to vote in person or by proxy should a dividend not have been paid on those shares in the preceding calendar year.
- 3.3** Subject to the provisions of the Act and to any rights conferred on the holders of any other shares, any share may be issued with or have attached it to such rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the directors may decide. Regulation 2 of Table A shall not apply.
- 3.4** Subject to the provisions of the Act and to these Articles, any unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the directors who may offer, allot, grant options over, convert or otherwise dispose of them to such persons at such times and for such consideration and upon such terms and conditions as they may determine.
- 3.5** Subject to any direction to the contrary which may be given by the Company in general meeting, the directors are unconditionally authorised to exercise all powers of the Company to allot relevant securities. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of adoption of these Articles or such other amount as may from time to time be authorised by the Company in general meeting. The authority conferred on the directors by the Article shall remain in force for a period of five years from the date of adoption of these Articles but may be revoked varied or renewed from time to time by the Company in general meeting in accordance with the Act.
- 3.6** Section 89(1) of the Act shall not apply to the allotment by the Company of any equity security.

4. Transfer and Transmission of Shares

4.1 In this Article 4, the following terms have the following meanings:

“Controlling Interest”	means Ordinary Shares representing more than 50 per cent. in nominal amount of the shares in issue at the relevant time.
“Group Company”	means Arbuthnot Banking Group PLC or any holding company or subsidiary of Arbuthnot Banking Group PLC, where “holding company” and “subsidiary” have the meanings given to them in section 736 of the Companies Act 1985.
“Majority Shareholder”	means the person holding a Controlling Interest.
“Remaining Shareholders”	means all of the holders of shares in the Company except for the Majority Shareholder and “Remaining Shareholder” means any of them.
“Sale”	means a transaction or series of transactions whereby a person or persons other than a Group Company acquires a Controlling Interest.

4.2 The directors may, in their absolute discretion and without giving any reason for so doing, decline to register any transfer of any share, whether or not it is a fully paid share. Regulation 24 of Table A shall be modified accordingly.

4.3 A person who becomes entitled to a share by reason of any event (other than death or bankruptcy) giving rise to its transmission by operation of a law shall have the same rights of election and other rights as a person entitled by transmission to a share as a consequence of death or bankruptcy. Regulations 30 and 31 of Table A shall be modified accordingly.

4.4 If the Majority Shareholder intends to effect a Sale:

4.4.1 The Majority Shareholder shall have the right to give to the Remaining Shareholders at least 7 days’ advance written notice (the “Drag Along Notice”) prior to the Sale requiring the remaining Shareholders to sell to the proposed purchaser or purchasers acting in concert (the “Proposed Purchaser”) all of their shares. The Drag Along Notice will include details of the shares offered for sale by the Majority Shareholder (the “Sale Shares”), the proposed price to be paid by the Proposed Purchaser for the Sale Shares, details of the Proposed Purchaser, the place, date and time of completion (“Sale Completion”) of the proposed Sale, which shall be on a date not less than 7 days after the date of receipt by the Remaining Shareholders of the Drag Along Notice.

- 4.4.2 The Remaining Shareholders shall sell all of their shares referred to in the Drag Along Notice at the highest price per Sale Share sold by the Majority Shareholder to the Proposed Purchaser in the period of one month ended on the date of the Sale Completion and on the terms set out in the Drag Along Notice which shall be at least as favourable terms as the terms offered for the Sale Shares.
- 4.4.3 If a Remaining Shareholder fails to comply with Article 4.4.2 (a "Defaulting Shareholder"):
- (i) the Directors may authorise some person to execute an instrument of transfer on behalf of the Defaulting Shareholder in favour of the Proposed Purchaser;
 - (ii) the Company may receive the purchase money in respect of the transfer of the shares, which it shall hold on trust for the Defaulting Shareholder of such shares and which shall be a good discharge to the Proposed Purchaser, who shall not be bound to see to its application;
 - (iii) the Company shall cause the name of the Proposed Purchaser to be entered into the Register of Members as the holder of the shares; and
 - (iv) after the Proposed Purchaser's name has been entered into the register of Members, the validity of the proceedings shall not be questioned by any person.
- 4.4.4 If the Majority Shareholder elects not to serve a Drag Along Notice under Article 4.4.1, it shall in any event serve written notice informing the Remaining Shareholders of the proposed Sale at least 7 days in advance of the date of the proposed Sale (the "Sale Notice"). If the Majority Shareholder fails to serve such Sale Notice it shall be deemed to be served 7 days in advance of the date of the proposed Sale. The Sale Notice shall contain the same information as would be required to be given in a Drag Along Notice.
- 4.4.5 If a Sale is proposed, at any time prior to the Sale, any Remaining Shareholder shall have the right to give to the Majority Shareholder written notice of his desire to sell all (but not merely some) of his shares to the Proposed Purchaser on the same terms and conditions as set out in the Sale Notice ("Tag Along Notice").
- 4.4.6 Upon giving a Tag Along Notice to the Majority Shareholder, a Remaining Shareholder shall be entitled to sell to the Proposed Purchaser (and the Majority Shareholder shall not be entitled to sell the Sale Shares unless it shall procure that such offer is made) all (but not merely some) of his shares, at the same price and on the same terms and conditions as set out in the Sale Notice or, if no price is specified, at the highest price per Sale Share to be sold by the Majority Shareholder to the Proposed Purchaser on the Sale Completion and on the terms offered for the Sale Shares.
- 4.4.7 If any Remaining Shareholder is not given the opportunity to participate in the transaction contemplated in the Sale Notice in accordance with the terms and conditions of this Article 4.4, the Majority Shareholder may not complete such transaction and the Directors may not register the transfer of the Majority Shareholder's Shares.

5. General Meetings

- 5.1** Notice of every general meeting shall be given to all members other than any who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors or, if more than one, each of them. The last sentence of Regulation 38 of Table A shall not apply.
- 5.2** For all purposes of these Articles apart from when the Company has only one member, a general meeting of the Company or of the holders of any class of its shares shall be valid and effective for all purposes if one person being a duly authorised representative of two or more corporations each of which is a member entitled to vote upon the business to be transacted is present. If, and for so long as, the Company has only one member, that member or the proxy for that member, or where that member is a corporation, its duly authorised representative shall be a quorum at any general meeting of the Company or of the holders of any class of shares. Regulation 40 of Table A shall be modified accordingly.

6. Votes of Members

- 6.1** At a general meeting, but subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and every proxy for any member (regardless of the number or the holdings of the members for whom he is a proxy) shall have one vote, and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. Regulation 54 of Table A shall not apply.
- 6.2** Regulation 57 of Table A shall not apply.
- 6.3** The appointment of a proxy must:
- 6.3.1** in the case of an appointment which is not contained in an electronic communication, be received at the office (or at such other place or by such person as may be specified or agreed by the directors) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote together with (if required by the directors) any authority under which it is made or a copy of the authority, certified notarially or in some other manner approved by the directors;

6.3.2 in the case of an appointment contained in an electronic communication, where an address has been specified or agreed by the directors for the purpose of receiving electronic communications, be received at such address before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which an appointment contained in an electronic communication is made or a copy of the authority, certified notarially or in some other manner approved by the directors, must, if required by the directors, be received at the office (or at such other place or by such person as may be specified or agreed by the directors) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

6.3.3 in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid before the time appointed for the taking of the poll, and an appointment of a proxy which is not received in a manner so permitted shall be invalid.

6.4 Regulation 62 of Table A shall not apply.

7. Directors

7.1 The directors may by resolution exercise any power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

7.2 The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and remaining unpaid on any shares held by him.

7.3 The directors may delegate any of their powers (with power to sub-delegate) to committees consisting of such person or persons (whether directors or not) as they think fit. Regulation 72 of Table A shall be modified accordingly and references in Table A to a committee of directors or to a director as a member of such a committee shall include a committee established under this Article or such person or persons.

8. Appointment and Removal of Directors

8.1 Any member holding, or any members holding in aggregate, at the relevant time a majority in nominal value of such of the issued share capital of the Company as carried the right of attending and voting at general meetings of the Company may by memorandum in writing signed by or on behalf of him or them and delivered to the office or tendered at a meeting of the directors or at a general meeting of the Company at any time and from time to time appoint any person to be a director (either to fill a vacancy or as an additional director) or remove any director from office (no matter how he was appointed). In this Article references to "**in writing**" include the use of electronic communications.

8.2 Without prejudice to the powers conferred by any other article, any person may be appointed a director by the directors, either to fill a vacancy or as an additional director.

- 8.3 No director shall be required to retire or vacate his office, and no person shall be ineligible for appointment as a director, by reason of his having attained any particular age. No shareholding qualification for directors shall be required.
- 8.4 Regulations 73 to 80 (inclusive) and the last sentence of Regulation 84 of Table A shall not apply.
- 8.5 The office of a director shall be vacated not only upon the happening of any of the events mentioned in Regulation 81 of Table A but also if he is removed from office pursuant to these Articles. Regulation 81 of Table A shall be modified accordingly.

9. Directors' Gratuities and Pensions

- 9.1 The directors may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director or the relations, connections or dependents of any director or former director who holds or has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or with a predecessor in business of the Company or of any such body corporate and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company. Regulation 87 of Table A shall not apply.

10. Proceedings of Directors

- 10.1 Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose, or by any other means authorised in writing by the director concerned. Notice shall be given in this matter to all directors including any director who is absent from the United Kingdom at the relevant time. A director may waive notice of any meeting either prospectively or retrospectively. In this Article references to "**in writing**" include the use of electronic communications subject to such terms and conditions as the directors may decide. Regulation 88 of Table A shall be modified accordingly.
- 10.2 All or any of the members of the board may participate in a meeting of the board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 10.3 A resolution in writing signed by all the directors who are at the relevant time entitled to receive notice of a meeting of the board (if that number is sufficient to constitute a quorum) shall be as valid and effectual as a resolution passed at a meeting of the board properly called and constituted. The resolution may be contained in one document or in several documents in like form each signed by one or more of the directors concerned. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. In this Article references to "**in writing**" include the use of electronic communications subject to such terms and conditions as the directors may decide. Regulation 93 of Table A shall not apply.

- 10.4 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the directors in accordance with the Act. Subject where applicable to such disclosure, a director shall be entitled to vote in respect of any contract or proposed contract in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present. A reference in this Article to a "**contract**" includes any transaction or arrangement (whether or not constituting a contract). Regulations 94 and 95 of Table A shall not apply.

11. Notices

- 11.1 Any notice or other document may be served on or sent or delivered to any member by the Company either personally, or by sending it by post addressed to the member at his registered address, or by leaving it at that address addressed to the member, or, where appropriate, by using electronic communications to an address notified by the member concerned to the Company for that purpose, or by publication on a web site in accordance with the Act, or by any other means authorised in writing by the member concerned. In the case of joint holders of a share service, sending or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or sending or delivery to all the joint holders. Regulation 112 of Table A shall not apply.
- 11.2 Any notice or other document, if sent by the Company by post, shall be deemed to have been served or delivered twenty four hours after posting and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document left by the Company at a registered address otherwise than by post, or sent by electronic communications shall be deemed to have been served or delivered when it was so left or sent. Regulation 115 of Table A shall not apply.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

Gillian Margaret Gray
9 Dairyfields
Gossops Green
Crawley
Surrey
Secretary

Susan Mary Ratrage
140 Burges Road
Thorpe Bay
Essex
Secretary

DATED the 24th day of May, 1963

Witness to the above Signatures-

CS Colibough
24 Austin Friars
London EC2
Solicitor