

The Companies Acts, 1948 to 1981
COMPANY LIMITED BY SHARES

Memorandum of Association of

EAGLE STAR HOLDINGS LIMITED*

**(As altered by a resolution of the Board pursuant to Section 8 (3) (a)
of the Companies Act 1980 passed on 15th July, 1981 and a Special Resolution of the
Company passed on 11th November 1999)**



1. The name of the Company is **"EAGLE STAR HOLDINGS LIMITED".***
2. The Registered Office of the Company will be situated in England and Wales.
3. The objects for which the Company is established are:
 - 1) To acquire the whole of the share capital of Eagle Star Insurance Company Limited.
 - 2) To carry on the business of an investment holding company and for that purpose to acquire and hold either in the name of the Company, or in that of any nominee or trustee, shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
 - 3) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations, or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
 - 4) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares stock obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof.
 - 5) To provide on such terms as may be thought fit those services for the companies in which the Company is interested which are suitable and convenient to be provided by the central company of a group of companies and in particular, and without prejudice to the generality of the foregoing,

to provide managerial, executive, supervisory, financial and accounting, investment and administrative services and office accommodation and equipment facilities to any such company.

- 6) To act as executor or administrator of any deceased person and either as executor testamentary or dative or as the representative of such executor and for that purpose to enter into all necessary bonds in connection therewith and to act as an ordinary custodian or judicial trustee and to undertake the office of receiver treasurer or auditor liquidator administrator or assignee of the estate of any bankrupt or insolvent person or Company and to keep for any Company Government or Authority or body any register relating to any stocks funds shares or securities and to undertake any duties in relation to the registration of transfers the issue of certificates or otherwise and generally to hold and perform the duties of any office of trust or confidence.
- 7) To pay satisfy or compromise any claims against the Company or its subsidiaries in respect of any contracts entered into by the Company or its subsidiaries which it may deem expedient to satisfy or compromise notwithstanding that the same may not be enforceable.
- 8) To carry on any other business which may seem to the Company capable to being conveniently carried on in connection with any of the above specified objects or calculated directly or indirectly to enhance the value of or render profitable any of the "Company" property or rights.
- 9) To purchase or otherwise acquire and undertake all or any part of the business property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
- 10) To enter into any arrangements with any Government or Authorities supreme municipal local or otherwise and to obtain from any such Government or Authority all rights concessions authorisations and privileges that may seem conducive to the Company's objects or any of them.
- 11) To obtain the grant of, purchase or otherwise acquire any concessions, contracts, grants, trade marks, rights, patents, privileges, exclusive or otherwise, authorities, monopolies undertakings or businesses, or any right or option in relation thereto, and to perform and fulfil the terms and conditions thereof and to carry the same into effect, operate thereunder, develop, grant licences thereunder, and turn to account, maintain, or sell, dispose of, and deal with the same in such manner as the Directors may think expedient.
- 12) To enter into partnership or into any arrangement for sharing profits union of interests co-operation joint adventure reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly, to benefit the Company and to subscribe for, take or otherwise acquire shares or stock in or securities of and to subsidise or otherwise assist any such company and with or without guarantee to sell, hold, re-issue or otherwise deal with such shares, stock or securities.

- 13) Generally to purchase take on lease or in exchange hire or otherwise acquire any real or personal property or any rights or privileges which the Company may think necessary or convenient with reference to any of these objects or capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
- 14) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations gratuities pensions allowances or endowments to any persons who are or were at the time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependants of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such person and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- 15) To sell, exchange, let, develop, dispose of or otherwise deal with all or any part of the undertaking deal of the Company upon such terms and for such consideration as the Company may think fit and in particular for shares or debentures debenture stock or other securities of any other company.
- 16) To promote any company or companies for the purpose of acquiring all or any of the property rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.
- 17) To lend money and investments on such terms as may seem expedient and to give such guarantee or indemnity as may seem expedient.
- 18) To raise, borrow, or secure the payment of money and to receive money on deposit or loan in such a manner and on such terms as may seem expedient and in particular by the issue of debentures or debenture stock whether perpetual or otherwise and whether charged upon the whole or any part of the property and rights of the Company both present and future including any uncalled capital or not so charged and to redeem purchase or payoff any such securities.
- 19) To apply for, promote and obtain any Act of Parliament, charter, or order for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company.
- 20) To procure the registration or incorporation of the Company in or under the laws of any place outside England.

- 21) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition or for any purpose which in the opinion of the Directors may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.
- 22) To distribute among the members of any class or classes of members of the Company in specie any property of the Company.
- 23) To draw, make, accept, endorse, discount, execute and issue bills of exchange promissory notes, debentures, bills of lading warrants and other negotiable or transferable instruments or securities.
- 24) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place any shares in the Company's capital or any debentures, debenture stock or other securities of the Company or in or about the conduct of its business.
- 25) To do all or any of the above-mentioned things in any part of the world and either as principals, agents, trustees or otherwise and either alone or in conjunction with others and either directly or by or through agents, subcontractors or trustees.
- 26) To sell, improve, manage, develop, exchange, enfranchise, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property or rights of the Company.
- 27) To do all such other things as are incidental or conducive to the attainment of the above-mentioned objects.

And it is declared that:

- (i) the word "company" in this Clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or not; and
- (ii) the object specified in each of the paragraphs of this Clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company.

4. The liability of the members is limited.

5. The Capital of the Company is £10,000 divided into 40,000 Ordinary Shares of 25p each.

* At an Extraordinary General Meeting of the Company held on 11 April, 1979 the authorised share capital of the Company was reduced to £1.75 divided into 7 Ordinary Shares of 25p each.

* At an Extraordinary General Meeting of the Company held on 30th April, 1979 the authorised share capital of the Company was increased to £33,801,193.25 divided into

135,204,773 Ordinary Shares of 25p each and then further increased to £45,000,000 divided into 180,000,000 Ordinary Shares of 25p each.

* The Company was re-registered from an "Old Public Company" (as defined in Section 8(1) of the Companies Act 1980) to a public company by a resolution of the Board passed on 15th July 1981 pursuant to Section 8(3)(a) of the Companies Act 1980.

* At an Extraordinary General Meeting of the Company held on 8th December 1983 a Special Resolution was passed (which became effective on 18th January 1984) by which each of the 138,325,004 Ordinary Shares of 25p in issue at 8th December 1983 was converted into and redesignated as Deferred Share of 25p and each of 41,674,996 Ordinary Shares of 25p not in issue at 8th December 1983 was sub-divided into 5 Ordinary Shares of 5p each.

* At an Extraordinary General Meeting of the Company held on the 16th December 1992 the authorised share capital of the Company was increased to £350,000,000 and US\$400,000,000 by the creation of 305,000,000 Ordinary Shares of £1 each and 175,000,000 A Cumulative Redeemable Convertible Preference Shares of US\$1 each and 225,000,000 B Cumulative Redeemable Convertible Preference Shares of US\$1 each. The existing issued ordinary share capital being 138,325,004 shares of £0.05 each was redesignated into 6,916,251 shares of £1 each.

* At an Extraordinary General Meeting of the Company held on 21st December 1995 the authorised share capital of the Company was increased from £350,000,000 and US\$400,000,000 to £500,000,000 and US\$400,000,000 by the creation of 150,000,000 new ordinary shares of £1. In addition the 70,049,960 Ordinary Shares of 5p each not in issue at 21st December 1995 were consolidated into 3,502,498 Ordinary Shares of £1 each.

* At the Annual General Meeting of the Company held on 27th March 1998, the authorised share capital of the Company was increased from £500,000,000 and \$400,000,000 to £550,000,000 and US\$400,000,000 by the creation of 50,000,000 new ordinary shares of £1 each.

* At the Extraordinary General Meeting of the Company held on 11th November 1999, the Company was re-registered from a public to a private company and its name was changed from "EAGLE STAR HOLDINGS PUBLIC LIMITED COMPANY" to "EAGLE STAR HOLDINGS LIMITED".

* At an Extraordinary General Meeting of the Company held on 18th September 2000 the authorised share capital of the Company was increased from £550,000,000 and \$400,000,000 to £674,263,297 and \$400,000,000 by the creation of 124,263,297 C Cumulative Redeemable Convertible Preference Shares of £1 each.

* At an Extraordinary General Meeting of the Company held on 14th December 2001 the authorised share capital of the Company was increased from £674,263,297 and \$225,000,000 to £974,263,297 and \$225,000,000 by the creation of a further 300,000,000 Ordinary Shares of £1 each.

* At an Extraordinary General Meeting of the Company held on 18th August 2004 the authorised share capital of the Company was increased from £974,263,297 and

\$225,000,000 to £1,125,883,303 and \$225,000,000 by the creation of a further 151,620,006 C Cumulative Redeemable Convertible Preference Shares of £1 each.

* At a Meeting of the Board of Directors of the Company held on 18th August 2004 225,000,000 B Cumulative Redeemable Convertible Preference Shares of US\$1 each were redeemed at par.

* At an Extraordinary General Meeting of the Company held on 18th August 2004 following the redemption of the issued B Cumulative Redeemable Convertible Preference Shares of US\$1 each the share capital of the Company was diminished by the amount of all B Cumulative Redeemable Convertible Preference Shares of US\$1 each, leaving the authorised share capital of the Company as £1,125,883,303 comprised of 275,883,303 C Cumulative Redeemable Convertible Preference Shares of £1 each, 138,325,004 Deferred Shares of 25p each and 815,418,749 Ordinary Shares of £1 each.

No. 1416463
The Companies Acts, 1948 to 1981
COMPANY LIMITED BY SHARES
New Articles of Association
EAGLE STAR HOLDINGS LIMITED

(Adopted by Special Resolution passed on 18 September 2000)

PRELIMINARY

1. The regulations contained or incorporated in Part 1 of Table A in the First Schedule to the Companies Act 1948 (which Table is hereinafter referred to as **"Table A"**) shall apply to the Company so far as the same are not excluded or varied hereby.
2. Regulations 3, 55, 62, 73A, 75 to 77 (inclusive), 78, 79, 87, 89 to 97 (inclusive), 101, 106 to 109 (inclusive), and 136 of Part 1 of Table A shall not apply to the Company.

INTERPRETATION

3. In these Articles unless the context otherwise requires:

"these articles" means these Articles of Association in their present form or as from time to time altered;

"the Companies Acts" means every statute from time to time in force concerning companies insofar as the same applies to the company;

"Member" means a member of the Company;

"the Board" means the Directors of the Company present at a duly convened meeting of Directors at which a quorum is present;

words importing persons shall include corporations;

any words or expressions defined in the Companies Acts in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these articles or such other part (as the case may be);

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

SHARES

4. The shares of the Company shall be at the disposal of the Directors, who may offer, allot, grant options over, or otherwise deal with or dispose of them subject to the Companies

Acts and the provisions of these Articles to such persons, at such times and generally on such terms and conditions as they think proper. Section 17 of the Companies Act 1980 shall not apply.

TRANSFER OF SHARES

5. In Regulation 22 of Part 1 of Table A the words **"and transferee"** immediately following the words **"the transferor"** shall not apply to the Company.
6. The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share not fully paid up to any person whom they shall not approve as transferee. The Directors may also refuse to register any transfer of a share on which the Company has a lien.
7. The share capital of the Company at the date of the adoption of this Article is £674,263,297 divided into 515,418,749 Ordinary Shares of £1 each, 138,325,004 Deferred Shares of 25p each, 124,263,297 'C' Cumulative Redeemable Convertible Preference Shares of £1 each (the **"C' Shares"**) and 225,000,000 'B' Cumulative Redeemable Convertible Preference Shares of US\$1 each (the **"B' Shares"**).

The rights attaching to the respective classes of shares shall be:

- (a) Income

The profits of the Company available for distribution shall be applied as follows:

- (i) first, in paying to the holders of the 'C' Shares a fixed cumulative preferential net cash dividend (the **"C' Preference Dividend"**) of 6.25 pence per annum on each share payable quarterly in arrears on the 31 March, 30 June, 30 September and 31 December (save that the first such payment shall be on 31 December 2000 being the proportionate amount in respect of the period since the date of allotment of the 'C' Shares);
- (ii) second, and subject to the provisions of paragraph (i) of this Article 7(a) in paying to the holders of 'B' Shares a fixed preferential net cash dividend the **"B' Preference Dividend"**) of an amount on each share determined as hereinafter provided payable quarterly in arrears on the 31 March, 30 June, 30 September and 31 December, (save that the first such payment shall be on 31 December 2000 being the proportionate amount in respect of the period since the date of allotment of the 'B' Shares)

PROVIDED THAT:

in respect of any quarter the amount of the 'C' Preference Dividend shall be the amount in sterling equal to the nominal value of all the 'C' Shares in issue at the beginning of the relevant quarter multiplied by 6.25 per cent, divided by 360 and multiplied by the number of days in the relevant quarter and the 'B' Preference Dividend shall be the amount in US\$ equal to the nominal value of all the 'B' Shares in issue at the beginning of the relevant quarter multiplied by 6.25 per cent, divided by 360 and multiplied by the number of days in the relevant quarter.

Subject to the Company having complied with the provisions of this Article 7(a) in respect of that financial year and in respect of all previous financial years of the Company and the Company having complied with the provisions of paragraph (i) of Article 7(e) and (f), any remaining profits which the Company determines to distribute in any financial year shall be applied in paying to the holders of the Ordinary Shares a dividend for such year on each Ordinary Share of an amount equal to the amount of dividend so determined to be distributed.

Every dividend shall be distributed to the appropriate shareholders pro rata according to the amounts paid up or credited as paid up on the shares of the relevant class of shares held by them respectively and shall accrue on a daily basis.

Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the 'C' Preference Dividend and the 'B' Preference Dividend shall (notwithstanding regulations contained in Table A or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation or resolution of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend.

(b) Capital

On a return of assets on liquidation or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company remaining after the payment of its liabilities shall be applied as follows:

- (i) first, in paying to the holders of the 'C' Shares £1 per share together with a sum equal to any arrears, deficiency or accruals of the 'C' Preference Dividend calculated down to the date of the return of capital and payable whether such dividend has been declared or earned or not;
- (ii) second and subject to the provisions of paragraph (i) of this Article 7(b), in paying to the holders of the 'B' Shares US\$1 per share together with a sum equal to any arrears, deficiency or accruals of the 'B' Preference Dividend calculated down to the date of the return of capital and payable whether such dividend has been declared or earned or not; and
- (iii) third and subject to the provisions of paragraph (i) and (ii) of this Article 7(b), in paying the balance of such assets to the holders of the Ordinary Shares.

(c) Conversion of 'C' Shares

The holders of the 'C' Shares may at any time after 18 September 2000 convert on a one for one basis the whole of their 'C' Shares into Ordinary Shares of £1 each and the following provisions shall have effect:

- (i) the conversion shall be effected by notice in writing given to the Company signed by the holders of a 75 per cent majority in nominal value of the 'C' Shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such notice states that conversion is to be effective when any conditions specified in such notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled;
 - (ii) forthwith thereafter the holders of the Ordinary Shares of £1 resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'C' Shares (or such indemnity in lieu thereof as the Company may reasonably require) and the Company shall issue to such holders respectively certificates for the Ordinary Shares of £1 resulting from the conversion;
 - (iii) the Ordinary Shares of £1 each resulting from the conversion shall rank from the date of conversion *pari passu* in all respects with the existing Ordinary Shares of £1 each in the capital of the Company; and
 - (iv) on the date of conversion the Company shall, subject to the provisions of the Act, pay to the holders of the 'C' Shares a sum equal to all arrears, deficiency or accruals of dividends on the 'C' Shares calculated on a daily basis to the date of conversion.
- (d) Conversion of 'B' Shares

The holders of the 'B' Shares may at any time after 18 September 2000 convert on a one for one basis the whole of their 'B' Shares into Ordinary Shares of US\$1 each and the following provisions shall have effect:

- (i) the conversion shall be effected by notice in writing given to the Company signed by the holders of a 75 per cent majority in nominal value of the 'B' Shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such notice states that conversion is to be effective when any conditions specified in such notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled;
- (ii) forthwith thereafter the holders of the Ordinary Shares of US\$1 resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'B' Shares (or such indemnity in lieu thereof as the Company may reasonably require) and the Company shall issue to such holders respectively certificates for the Ordinary Shares of US\$1 resulting from the Conversion;
- (iii) the Ordinary Shares of US\$1 each resulting from the conversion shall rank from the date of conversion *pari passu* in all respects with the Ordinary Shares of £1 each in the capital of the Company; and
- (iv) on the date of conversion the Company shall, subject to the provisions of the Act, pay to the holders of the 'B' Shares a sum equal to all arrears,

deficiency or accruals of dividends on the 'B' Shares calculated on a daily basis to the date of conversion.

(e) Redemption of 'C' Shares

- (i) Subject to the provisions of the Act, the Company may, at its election and in accordance with the provisions of sub-paragraphs (iii) to (v) of this Article 7(e), redeem all or any of the 'C' Shares at any time up to and including 30 December 2007 by delivering to the registered holder or registered holders of such 'C' Shares a notice in writing specifying (a) the number of 'C' Shares to be redeemed, (b) the number of 'C' Shares registered in the name of the registered holder which are to be redeemed, (c) the day on which the redemption is to take place (in this sub-paragraph referred to as the Redemption Date) and (d) the place to which the registered holder of the 'C' Shares should send the certificate for his shares in accordance with subparagraph (iii) below.
- (ii) Unless previously redeemed pursuant to the provisions of sub-paragraph (i) or otherwise purchased or cancelled or converted under paragraph (c) of this Article 7, all of the outstanding 'C' Shares shall be redeemed on 31 December 2007 in accordance with the preceding sub-paragraph and the following sub-paragraphs of this Article 7(e).
- (iii) On or before the dates so fixed each registered holder of 'C' Shares shall surrender to the Company the certificate for his shares (or such indemnity in lieu thereof as the Company may reasonably require) which are to be redeemed in order that it may, subject to redemption of such shares, be cancelled PROVIDED THAT if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue to the holder a fresh certificate for the balance of the shares not redeemable.
- (iv) If there is more than one holder of 'C' Shares, the number of each such holder's 'C' Shares to be redeemed on each occasion on which 'C' Shares are redeemed shall be such number (as nearly as may be) as shall bear the same proportion to the total number of 'C' Shares to be redeemed on each such occasion as that proportion which each such holder's entire holding of 'C' Shares bears to the total number of 'C' Shares then in issue.
- (v) On the dates so fixed for redemption the Company shall pay to each such holder, in respect of each such holder's 'C' Shares to be redeemed, the sum of £1 together with a sum equal to any arrears, deficiency or accruals of the 'C' Preference Dividend thereon calculated to the date of redemption whether the 'C' Preference Dividend has been declared or earned or not and the 'C' Preference Dividend thereon shall cease to accrue from that date unless upon surrender of the certificate for such shares payment of the redemption moneys shall be refused.
- (vi) If the Company is unable at any time to redeem in accordance with the Act the number of 'C' Shares then due to be redeemed pursuant to this

Article 7(e), the Company shall thereupon redeem such number of 'C' Shares, if any, as it is then able to redeem in accordance with the Act and the provisions of paragraphs (ii), (iii) and (iv) of this Article 7(e) shall apply and shall so redeem the balance as soon as it is lawfully able to do so.

(f) Redemption of 'B' Shares

- (i) Subject to the provisions of the Act, the Company may, at its election and in accordance with the provisions of sub-paragraph (iii) to (v) of this Article 7(f), redeem all or any of the 'B' Shares at any time up to and including 30 December 2007 by delivering to the registered holder or registered holders of such 'B' Shares a notice in writing specifying (a) the number of 'B' Shares to be redeemed, (b) the number of 'B' Shares registered in the name of the registered holder which are to be redeemed, (c) the day on which the redemption is to take place (in this sub-paragraph referred to as the Redemption Date) and (d) the place to which the registered holder of the 'B' Shares should send the certificate for his shares in accordance with the subparagraph (iii) below.
- (ii) Unless previously redeemed pursuant to the provisions of sub-paragraph (i) or otherwise purchased or cancelled or converted under paragraph (d) of this Article 7, all of the outstanding 'B' Shares shall be redeemed on 31 December 2007 in accordance with the preceding sub-paragraph and the following sub-paragraphs of this Article 7(f).
- (iii) On or before the dates so fixed each registered holder of 'B' Shares shall surrender to the Company the certificate for his shares (or such indemnity in lieu thereof as the Company may reasonably require) which are to be redeemed in order that it may, subject to redemption of such shares, be cancelled PROVIDED THAT if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue to the holder a fresh certificate for the balance of the shares not redeemable.
- (iv) If there is more than one holder of 'B' Shares, the number of each holder's 'B' Shares to be redeemed on each occasion on which 'B' Shares are redeemed shall be such number (as nearly as may be) as shall bear the same proportion to the total number of 'B' Shares to be redeemed on each such occasion as that proportion which each such holder's enter holding of 'B' Shares bears to the total number of 'B' Shares then in issue.
- (v) On the dates so fixed for redemption the Company shall pay to each such holder, in respect of each such holder's 'B' Shares to be redeemed the sum of US\$1 together with a sum equal to any arrears, deficiency or accruals of 'B' Preference Dividend thereon calculated to the date of redemption whether the 'B' Preference Dividend has been declared or earned or not and the 'B' Preference Dividend thereon shall cease to accrue from that date unless upon surrender of the certificate for such shares payment of the redemption moneys shall be refused.

- (vi) If the Company is unable at any time to redeem in accordance with the Act the number of 'B' Shares then due to be redeemed pursuant to this Article 7(f), the Company shall thereupon redeem such number of 'B' Shares, if any, as it is then able to redeem in accordance with the Act and the provisions of paragraphs (ii), (iii) and (iv) of this Article 7(f) shall apply and shall so redeem the balance as soon as it is lawfully able so to do.

(g) Voting

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every £1 in nominal amount of shares in the capital of the Company of which he is the holder PROVIDED THAT the holders of the 'C' Shares shall be entitled to receive notice of all general meetings but shall not be entitled to attend or vote at any general meeting unless:

- (i) any 'C' Preference Dividend has not been paid within six months of the relevant date set out in paragraph (i) of Article 7(a); or
- (ii) any 'B' Preference Dividend has not been paid within six months of the relevant date set out in paragraph (i) of Article 7(a); or
- (iii) on the relevant Redemption Date the Company shall have failed to redeem any of the 'C' Shares then due for redemption; or
- (iv) on the relevant Redemption Date the Company shall have failed to redeem any of the 'B' Shares then due for redemption

when the holders of the 'C' Shares shall have one vote for each 'C' Share held by them and the holders of the 'B' Shares shall have one vote for each 'B' Share held by them.

8. Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of 75 per cent 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 such holders (but not otherwise). All the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every such separate meeting, except that:

- (a) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class or, in any adjourned meeting of such holders, those holders present in person or by proxy, whatever the amount of their holding; and

- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
 - (c) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.
9. Subject to:
- (a) the provisions of Part V of the Act; and
 - (b) any rights attaching to any class of share of the Company; the Company may:
 - (i) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholders concerned; and
 - (ii) purchase any of its own shares (including any redeemable shares).
10. Subject to the provisions of the Act, a resolution in writing signed by all the members of the Company who would be entitled to receive notice of and to attend and vote at a General Meeting, or by their duly appointed attorneys, shall be as valid and effectual as if it had been passed at a General Meeting of the Company duly convened and held. Any such resolution may be contained in one document or in several documents in the same terms each signed by one or more of the members or their duly appointed attorneys and signature, in the case of a body corporate which is a member, shall be sufficient if made by a director or the secretary thereof or by its duly authorised representative.
11. The lien conferred by Regulation 11 of Table A shall attach to fully paid up shares and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

PROCEEDINGS AT GENERAL MEETINGS

12. A poll shall be taken whenever directed by the Chairman or demanded by one or more Members present in person or proxy and entitled to vote and Regulation 58 of Part 1 of Table A shall be modified accordingly.
13. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person and every person present as a proxy for a Member or Members shall have one vote, and on a poll every Member shall have one vote for each share of which he is the holder.
14. Any Director may attend and speak at any general meeting.
15. Subject to the provisions of the Companies Acts, a resolution in writing signed by or on behalf of all the Members who would be entitled to receive notice of and attend and vote at general meetings (or being corporations by their validly appointed representative) shall be as valid and effectual as if it had been passed as a resolution at a general meeting duly convened and held. Any such resolution may consist of several documents in the like form signed by or on behalf of one or more Members.
16. All or any of the members of the Board or any Committee of the Board may participate in a meeting of the Board or that Committee by means of a conference telephone, video

conference facility, 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 deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

NUMBER OF DIRECTORS

17. The Directors shall not be less than two in number. There shall be no maximum number of Directors.

REMUNERATION OF DIRECTORS

- 18.
- (A) Each of the Directors shall (subject to the provision of any contract of service between him and the Company) be entitled to such yearly sum (if any) as may be fixed by the Directors for him by way of remuneration for his services. Any such remuneration shall be deemed to accrue from day to day and shall be apportionable accordingly.
 - (B) The Directors shall also be entitled to be repaid all travelling, hotel and other expenses properly and reasonably incurred by them respectively in and about the business of the Company, including their expenses of travelling to and from Board or Committee or General Meetings.
19. The Directors may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director.

EXECUTIVE DIRECTORS

- 20.
- (A) The Board may from time to time appoint one or more of their body to be an Executive Director under such title and on such terms as to remuneration and otherwise and for such period as they may determine and may revoke or terminate any such appointment and a person so appointed is in these Articles referred to as an 'Executive Director'.
 - (B) The appointment of any Director to be an Executive Director shall be subject to termination if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise.
 - (C) Any revocation or termination of the appointment of an Executive Director shall be without prejudice to any claim for damages which that Director may have against the Company, or the Company may have against that Director, for any breach of contract of service between him and the Company.
 - (D) The Board may in any contract of service provide and may from time to time resolve that the Director appointed an Executive Director by such contract or, as

the case may be, that such of the Executive Directors as the Board shall specify in such resolution shall be exempted from retirement by rotation, and any such resolution shall be effective and may at any time be revoked by the Board with respect to any such Director.

21. The Board may entrust to and confer upon any Executive Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter, or vary all or any of such powers.

BORROWING POWERS

22. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (including any uncalled capital), or any part thereof, and subject to the provisions of the Companies Acts and these Articles to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party (including the Company's holding company).

OTHER POWERS AND DUTIES OF DIRECTORS

23. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers authorities and discretions vested in the Board (other than the power to make calls), with power to sub-delegate and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
24. A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout and he shall be counted in any quorum and, if he shall vote, his vote shall be counted when any such contract, arrangement or matter is under consideration and paragraphs (2) and (4) of Regulation 84 of Part 1 of Table A shall not apply to the Company.
25.
 - (A) The Board may grant such pensions, allowances, gratuities or other benefits to any persons or their wives, children or relatives or to the widows or dependants of any deceased persons in respect of services rendered by such persons or deceased persons to the Company or any subsidiary company as directors or managers or in any other offices or employment under the Company or any such subsidiary as the may from time to time determine. Any such pensions or allowances may be of such amounts, and be granted for such periods as the Board shall think fit, either for a life or lives or for a definite period or for a period terminable on the happening of any contingency or event, and generally on such terms and

conditions as the Board may think fit, and a pension may be granted to any officer or employee either before or in anticipation of or upon or at any time after actual retirement, and the right of the grantee to receive a pension or benefit so granted shall not be affected by his being appointed or continuing in office as a Director and receiving remuneration as such. The grantee shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article.

- (B) The Board may provide out of the Company's moneys and vest in trustees upon trusts appropriate for the purpose, funds for providing for the payment of any pensions, allowances, gratuities or other benefits granted as aforesaid, and may also establish and contribute out of the Company's moneys to any schemes or funds under which officers and employees of the Company (including Directors holding other offices or employment), their wives, children, relatives, widows or dependants, will or may become entitled to receive pensions, allowances, life assurance and other benefits on retirement or death after a certain length of service.

26. The Board may from time to time elect from its members including any Executive Directors a Chairman and one or more Deputy Chairmen and determine the period for which each of them is to hold office respectively. The Chairman or, in his absence, any Deputy Chairman shall preside at its meetings but if no such Chairman or Deputy Chairman be elected or if at any meeting the Chairman or any Deputy Chairman be not present within five minutes after the time appointed for holding the same, the Board shall choose one of its number to be a chairman of such meeting.
27. The last twenty-six words of Regulation 86 of Part 1 of Table A shall not apply to the Company.

DISQUALIFICATION OF DIRECTORS

28. The office of a Director shall not be vacated pursuant to paragraph (f) of Regulation 88 of Part 1 of Table A unless and until the Directors pass a resolution that the Director in question had vacated office.

APPOINTMENT AND REMOVAL OF DIRECTORS

29. The Directors and the Company by ordinary resolution shall each have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall (subject to Regulation 88 of Table A and to the provisions of the Companies Acts) hold office until he is removed pursuant to these Articles.
- 30.
- (A) No Director shall be required to vacate his office under an age limit prior to his having attained the age of 70 years and any person shall be capable of being appointed or re-appointed as a Director at any time prior to his having attained the age of 70 years. No special notice shall be required of any resolution reappointing a Director prior to his having attained the age of 70 years nor shall it

be necessary to give to the Members notice of the age of any Director under the age of 70 years proposed to be re-appointed as a Director.

- (B) A Director except a Director holding office at the date on which the resolution adopting these Articles is passed shall vacate his office at the conclusion of the Annual General Meeting of the Company next after he attains the age of 70 years. Any Director so vacating office may, by ordinary resolution of the Company, be re-appointed a Director for such period and on such terms as the Company by such resolution shall determine. Special notice of such resolution shall be given and the notice thereof to Members shall state the age of the Director proposed to be re-appointed. If a Director who has been re-appointed as aforesaid subsequently retires from office, the foregoing provisions of this paragraph relating to his re-appointment shall apply in the like manner to any further reappointment.
- (C) Any acts done by a person as a Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of his having attained any specified age.
- (D) Section 185 of the Act shall have effect subject to the foregoing provisions of this Article 30.

ROTATION AND RETIREMENT OF DIRECTORS

31.

- (A) At the Annual General Meeting in every year one third of the Directors for the time being (or if their number is not a multiple of three then the number nearest to but not exceeding one third) shall retire from office, provided that and Executive Director for the time being exempted from retirement by rotation under Article 20(D) hereof shall not be subject to retirement by rotation or be taken in to account in determining the rotation of Directors for retirement in any year.
- (B) The Directors to retire at the Annual General Meeting in every year shall be the Directors who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall in the absence of agreement be selected from among them by lot. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

32. Without prejudice to the power of the Company under Section 184 of the Act to remove a Director by ordinary resolution the Company may by extraordinary resolution remove any Director and may by ordinary resolution appoint another Director in his stead.

33. Each Director shall have the power to appoint any person (whether a Director or not) to be his alternate Director and may at his discretion remove such alternate Director. If such alternate Director is not another Director, such appointment, unless previously appointed by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate Director shall be effected by notice in writing signed by the appointor and delivered to the Secretary at the registered office of the

Company or tendered at a meeting of the Directors. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Directors or of a Committee of Directors to the same extent as, but in lieu of, his appointor and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meetings the provisions of these Articles shall apply as if he were a Director. In the absence of his appointor from England any alternate Director generally shall have and exercise all the powers, rights and authorities of the Director appointing him. Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to the Director and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for his appointor. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct. Every person acting as an alternate Director shall have one vote for every Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Directors or a Committee of the Directors shall (unless the notice of his appointment provides to the contrary) be as effective as the signature of his appointor. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director.

PROCEEDINGS OF DIRECTORS

34. A resolution in writing signed by or on behalf of all the Directors (or their duly appointed alternates) for the time being entitled to receive notice of a meeting of the Board or (in the case of a Committee of the Board all members of such Committee) shall be as effective for all purposes as a resolution passed at a meeting of the Board or of such Committee duly convened and held and may consist of several documents in the like form signed by or on behalf of one or more of the Directors or the members of such Committee.

SECRETARY

35. The Directors shall from time to time appoint and may remove a Secretary or Joint Secretaries and may appoint and remove one or more Deputy or Assistant Secretaries.
36. A provision of the Companies Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Directors and as, or in the place of, the Secretary, but any such provision requiring or authorising a thing to be done by or to the Secretary shall be satisfied by its being done by or to any one joint or Deputy or Assistant Secretary.

THE SEAL

- 37.
- (A) Subject as hereinafter provided Regulation 113 of Part 1 of Table A shall not apply to the Company. The Directors shall provide for the safe custody of the

Seal, which shall be used and affixed in accordance with regulations made by the Directors. But if such regulations shall not be made, Regulation 113 of Part 1 of Table A shall apply to the Company.

- (B) All policies, contracts of assurance, bonds, guarantees, indemnities, consents and undertakings may be in such form and contain such powers, provisions, conditions, covenants, clauses and agreements as the Board shall think fit, and it shall not be necessary for the same or any of them to be sealed with the Seal but the same and any other deeds and documents, which the Board resolve shall not be sealed, shall be signed by the Secretary or such other person or persons and in such manner as the Board may from time to time determine.

NOTICES

38. In Regulation 131 of Part 1 of Table A the words "in the case of a notice of a meeting" and all the words after the words "the letter containing the same is posted" shall be omitted.
39. In addition to the persons specified in Regulation 134 of Part 1 of Table A all Directors shall be given notice of every general meeting.
40. Any Member or Director entitled to be given notice of any general meeting in accordance with the Articles or Regulation 134 of Part 1 of Table A may in writing waive notice of such meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

INDEMNITY

41. Every Director, Executive Director, agent, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in paragraph (b) of the proviso to Section 205 of the Act) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the said Section.