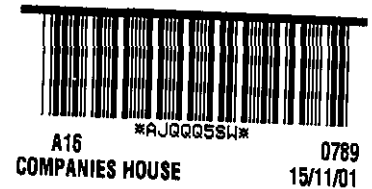


**The Companies Act 1985**

**PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

of



**ARKADY CRAIGMILLAR TRUSTEES LIMITED\***

1. The Company's name is "ARKADY CRAIGMILLAR TRUSTEES LIMITED".\*
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:-
  - 3.1 To undertake and discharge the office and duties of trustee in relation to any funds or schemes (in this sub-clause referred to as "the Funds"), now existing, or hereafter to be established, for providing allowances, pensions or other benefits for employees or ex-employees, officers or ex-officers of Arkady Craigmillar Limited (hereinafter called "the Founder") or any of its subsidiary companies and any other company or companies which has or have agreed to participate in the Funds (hereinafter called an "associated company") or for the dependants or connections of any such employees or ex-employees, officers or ex-officers and in connection therewith to:
    - (i) undertake the investment of the moneys of all or any of the Funds notwithstanding that the Funds may have members who are not employees or ex-employees of the Founder or any of its subsidiary or associated companies; and
    - (ii) exercise all such powers, authorities and discretions as may from time to time be vested in the Company as trustee and execute and do all things necessary to carry out the trusts of the trust deeds and rules in relation to any of the Funds; and
    - (iii) accept in the name of the Company and hold any insurance policies effected by or on behalf of any of the contributors to any of the Funds and accept

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\* The Company was incorporated on 14 February 2001 under the name Ever 1505 Limited.

forfeitures of any policies in accordance with any trust deeds or rules of any of the Funds; and

- (iv) agree to any modification of any of the trust deeds or rules of the Funds in accordance with the trust deeds or rules of the Funds; and
- (v) acquire and hold all or any of the investments of the Funds in the name of the Company and sell or realise any of such investments as may from time to time be required to be sold or realised and vary or transpose any of such investments into or for other investments for the time being authorised by law or by any trust deed relating to any of the Funds or any deed or instrument supplemental thereto as investments of moneys in the hands of trustees; and
- (vi) invest the monies of the Funds for the time being held by the Company as trustee in the name of the Company in or upon any investments for the time being authorised by law or by any trust deed relating to any of the Funds or any deed or instrument supplemental thereto as investments of moneys in the hands of trustees.

- 3.2 To advise and assist the Founder and its subsidiary and associated companies and all other persons responsible for the administration of any funds or schemes for providing allowance, pensions or other benefits for employees or ex-employees, officers or ex-officers of the Founder or any of its subsidiary or associated companies in connection with all matters arising out of the administration of any such funds or schemes and for this purpose to establish departments within the organisation of the Company composed of officers and other persons employed by the Company to advise the Founder, its subsidiary and associated companies and all other persons responsible for the administration of any such funds or schemes as aforesaid and undertake on their behalf activities, duties or services of a professional, technical, administrative or special character in any way arising out of the administration of such funds or schemes.
- 3.3 To act as nominee or trustee, solely or jointly, for any person, company (whether limited or unlimited), public body or authority, and as such nominee or trustee, to acquire and hold real and personal property of all kinds whatsoever and any interest therein.
- 3.4 To act as executor or administrator and as trustee, and to undertake and execute trusts of all kinds, whether public or private, including religious or charitable trusts, and either gratuitously or for reward and generally to carry on what is usually known as trustee and executor business and to undertake any other trusts the undertaking whereof may seem desirable.

- 3.5 To make deposits, enter into recognisances and bonds and otherwise give accurity for the due execution of the offices and performances of the duties of executors or administrators and trustees, or otherwise for or in connection with any of the objects of the Company.
- 3.6 To receive from any person or persons or company, money or valuables on deposit at interest, or for safe custody or otherwise.
- 3.7 to guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets, rights and revenues (present and future) and uncalled capital of the Company, or by both such methods or by any other means whatever, the performance of the liabilities and obligations of and the repayment or payment of any moneys whatever by any person, firm or company, including (but not limited to):-
- 3.7.1 any liabilities and obligations whatever of, and the repayment or payment of any moneys whatever by, any company which is for the time being or is likely to become the Company's holding company or a subsidiary of the Company or another subsidiary of the Company's holding company or otherwise associated with the Company in business; and
- 3.7.2 any liabilities and obligations incurred in connection with or for the purpose of the acquisition of shares in the Company or in any company which is for the time being the Company's holding company in so far as the giving of any such guarantee or other support or security is not prohibited by law; and
- 3.7.3 the repayment or payment of the principal amounts of, and premiums, interest and dividends on, any borrowings and securities;
- 3.8 to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 3.9 To enter into contracts with any person for carrying out any of the objects of the Company.

- 3.10 to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- 3.11 To acquire by purchase, feu, lease, tenancy, exchange, hire or otherwise, any lands or property of any tenure which may appear to be necessary or convenient for the fulfilment of the objects of the Company or any interest in the same and to hold and to sell, exchange, surrender, lease, mortgage, charge, convert, develop, turn to account, take options over, dispose of and deal with any such lands or property or any interest in the same.
- 3.12 To carry on any other activities which may, in the opinion of the Company, be advantageously or conveniently carried on by the Company in connection with or as auxiliary or incidental to the activities of the Company.
- 3.13 To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company and the issue of its capital.
- 3.14 subject to and in accordance with a due compliance with the provisions of sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151(1) and/or section 151(2) of the Act;
- 3.15 to purchase and maintain, for the benefit of any director, officer or auditor of the Company or of any company which is the holding company, a subsidiary, or a fellow subsidiary of the Company, insurance against any liability as is referred to in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, officer or auditor and, subject also to the provisions of the Act, to indemnify any such person out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability;
- 3.16 To do all such other things as may in the opinion of the Company be incidental or conducive to the attainment of the above objects, or any of them.
- 3.17 The objects set forth in any sub-clause of this clause shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any other sub-clause or by the name of the Company.

None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in any other sub-clause of this clause but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world.

4. The liability of the members is limited.
5. The Company's share capital is £100 divided into 100 shares of £1.00 each.\*

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\* The authorised share capital of the Company was diminished by £900 on 1 October 2001.

**THE COMPANIES ACTS 1985 AND 1989**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NEW ARTICLES OF ASSOCIATION**  
**OF**  
**ARKADY CRAIGMILLAR TRUSTEES LIMITED**

(Adopted by Written Resolution dated 1 October 2001)

**1. PRELIMINARY AND INTERPRETATION**

1.1 The regulations contained in Table A ("Table A") in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall apply to the Company except that regulations 1, 3, 24, 35, 38, 40 to 44 (inclusive) 50, 53, 60, 61, 62, 65 to 69 (inclusive), 72, 73 to 81 (inclusive) 83, 84, 88, 89, 90, 91, 92, 94, 108, 111, 112, 113 and 115 are excluded and regulations 8, 31, 46 and 118 shall apply as varied by these Articles)

1.2 In these Articles and in the regulations of Table A that apply to the Company:

**"the Act"** means the Companies Act 1985, including any statutory modification or re-enactment thereof for the time being in force;

**"Active Member"** means a member of the Scheme who is in the employment of a company participating in the Scheme;

**"Appointed Director"** means a Director appointed pursuant to Article 13;

**"Articles"** means these articles of association as amended from time to time;

**"Board"** means the board of Directors of the Company or the Directors present at a duly convened and quorate meeting of the Directors or a duly authorised committee of the Directors as the

	context requires;
<b>“Business Day”</b>	means a day (other than a Saturday or Sunday) on which banks are open for business in London);
<b>“clear days”</b>	means, in relation to a period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>“Director”</b>	means a director from time to time of the Company being an Appointed Director, a Member Nominated Director or any other director appointed pursuant to these Articles;
<b>“executed”</b>	includes any mode of execution;
<b>“Founder”</b>	means Arkady Craigmillar Limited;
<b>“holder”</b>	means, in relation to a share, the member whose name is entered in the register of members as the holder of that share;
<b>“Member Nominated Director”</b>	means a Director appointed to that office pursuant to Article 14;
<b>“office”</b>	means the registered office of the Company from time to time;
<b>“Pensions Act”</b>	means the Pensions Act 1995, including any statutory modification or re-enactment thereof for the time being in force and shall include, where appropriate, any orders, regulations, instruments or other subordinate legislation made thereunder;
<b>“person with mental disorder”</b>	means a person who is, or may be, suffering from mental disorder and either:  he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or an order is made by a court having jurisdiction (whether in the

United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

**“Scheme”**

means the Arkady Craigmillar Limited Retirement Benefits Scheme;

**“Secretary”**

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

**“Selection Arrangements”**

means the arrangements established in accordance with the Act and approved by the Board which apply to the Company from time to time concerning the persons who shall be appointed Member Nominated Directors;

**“Statutes”**

means the Act, the Companies Act 1989, the Pensions Act and every other statute or statutory instrument, rule, order or regulation from time to time in force concerning companies so far as they apply to the Company;

**“United Kingdom”**

means Great Britain and Northern Ireland.

1.3 In these Articles, expressions referring to writing shall, unless the contrary intention appears, be construed as including references to typewriting, printing, lithography, photography and other modes of representing or reproducing words in a visible form, including photocopies, facsimiles, electronic mail or other visual representations or partly written and partly so produced.

1.4 In these Articles, unless the context otherwise requires:

1.4.1 references to persons include references to natural persons and corporations;

1.4.2 words and expressions defined in the Act shall bear the same meaning in these Articles and in the regulations of Table A that apply to the Company (but excluding any statutory modification of the Act not in force when these regulations became binding on the Company and words and expressions expressly defined in these Articles);



1.5 In these Articles:

1.5.1 the headings are included for convenience only and do not affect the construction of these Articles;

1.5.2 words denoting the singular include the plural and vice versa; and

1.5.3 words denoting one gender include any other gender.

1.6 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose and, where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.

2. **PRIVATE COMPANY**

The Company is a private company within the meaning of Section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. **SHARE CAPITAL**

3.1 The authorised share capital of the Company at the date of adoption of these Articles is £100 divided into 100 shares of £1 each.

3.2 Subject to the provisions of the Act and without prejudice to Article 3.3 the Company may:

3.2.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by the Articles;

3.2.2 purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such resolution as is required by the Act; and

3.2.3 to the extent permitted by Section 171 of the Act, make a payment in respect of the redemption or purchase of any of its shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

3.3 The Directors (for the purposes of Section 80 of the Act) are generally and unconditionally authorised to allot or grant rights to subscribe for, or to convert any security into, any unissued shares to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company. The authority contained in this Article shall, unless revoked or varied in accordance with Section 80 of the Act:

3.3.1 be limited to a maximum nominal amount of shares equal to the amount of the authorised but unissued share capital of the Company at the date of adoption of these Articles; and

3.3.2 expire on the fifth anniversary of the date of adoption of these Articles but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of this authority.

3.3.3 In exercising their authority under this Article 3.3 the Directors shall not be required to have regard to Section 89(1) and 90(1) to (6) (inclusive) of the Act which Sections shall be excluded from applying to the Company.

#### 4. **LIEN**

The lien conferred by Regulation 8 of Table A shall also attach to fully paid up shares registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder of such shares or one of two or more joint holders.

#### 5. **TRANSFER AND TRANSMISSION OF SHARES**

5.1 The Directors may, in their absolute discretion and without assigning any reason, decline to register any transfer of any share, whether or not it is a fully paid share. The Directors may also refuse to register a transfer unless:

5.1.1 it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

5.1.2 it is in respect of only one class of shares; and

5.1.3 it is in favour of not more than four transferees.

5.2 No share shall be transferred to any infant, bankrupt or person with mental disorder.

- 5.3 The Directors may at any time give notice requiring a person becoming entitled to a share in consequence of the death or bankruptcy of a member to elect either to become the holder of the share or to have some person nominated by him registered as the transferee and if the notice is not complied with within 90 days the Directors may after such time withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

## **6. VARIATION OF RIGHTS**

- 6.1 If at any time the share capital is divided into different class of shares, the rights attached to any class may, whether or not the Company is being wound up, be modified, varied or abrogated with the consent in writing of the holder or holders of not less than three fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class.
- 6.2 To every such separate general meeting the provisions of these regulations relating to general meetings shall apply, except that the quorum shall be (where all the shares of that class are held by one person) that person and (in any other case) two persons holding or representing by proxy at least one third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
- 6.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

## **7. GENERAL MEETINGS**

- 7.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 7.2 An annual general meeting and an extraordinary general meeting called for the passing of a special or elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed
- 7.2.1 in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and

- 7.2.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent. in nominal value of the share giving that right.

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

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

- 7.3 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote at the meeting.
- 7.4 No business shall be transacted at any general meeting unless a quorum is present. If the Company only has one member, then such member, present in person or by proxy or, if a corporate member, by its duly authorised representative, shall be a quorum. If the Company has more than one member, two persons entitled to vote upon the business to be transacted, each being a member, or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 7.5 If within half an hour after the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting:
- 7.5.1 if convened upon the requisition of members, shall be dissolved; or
- 7.5.2 if convened otherwise than upon the requisition of members, shall stand adjourned until the same day in the next week at the same time and place or such other day, time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present or ceases to be present then the member or members present shall be a quorum.
- 7.6 A Director shall, notwithstanding that he is not a member, be entitled to receive notices of and attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 7.7 If the Company only has one member and such member takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, then such member shall (unless that decision is taken by way of a written resolution) provide the Company with a written record of that decision.

- 7.8 The Chairman of the Board shall preside at every general meeting; but if there is no Chairman or the Chairman is not willing or able to preside or is not present within fifteen minutes after the time fixed for the start of the meeting, the Directors present shall choose a Director or, if only one Director is present and willing to act, he shall be chairman. In default, the members present in person or by proxy shall choose one of their members to be Chairman of the meeting.
- 7.9 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 7.10 A resolution in writing executed by all the members of the Company entitled to receive notice of and to attend and vote at a general meeting or by their duly appointed proxies or attorneys:
- 7.10.1 shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held; and
- 7.10.2 any such resolution in writing may be contained in one document or in several documents in the same terms each executed by one or more of the members or their proxies or attorneys and execution in the case of a body corporate which is a member shall be sufficient if made by a director of such body corporate or by its duly authorised representative.

## **8. VOTES OF MEMBERS**

- 8.1 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointor (or, if a corporation, under the hand of a duly authorised officer of the corporation) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.
- 8.2 The appointment of a proxy shall not be valid and the proxy named in the instrument shall not be entitled to vote at the meeting unless the instrument appointing the proxy, together with any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors.
- 8.2.1 is deposited at the office (or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) not later than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

8.2.2 in the case of a poll taken more than 48 hours after it is demanded, is deposited as specified in Article 8.2.1 after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

8.2.3 where the poll is not taken forthwith but is taken not more than 48 hours after it is demanded, is delivered to the chairman or to the secretary or to any Director at the meeting at which the poll is demanded.

## **9. DIRECTORS**

9.1 The number of Directors shall not exceed a maximum of 12.

9.2 There shall be no minimum number of Appointed Directors or Member Nominated Directors.

9.3 Subject to the Statutes, a Director (other than a Member Nominated Director) may be a corporation. Where a Director is a corporation, it shall act by its duly authorised representative appointed by it from time to time. A letter delivered to the Company and signed by the secretary of such corporation specifying the name of the duly authorised representative from time to time shall be sufficient evidence of the authority of the appointment or replacement of any such representative. Such representative shall be entitled to exercise all the rights of the corporation which has appointed him but shall not himself be deemed to be a Director for the purposes of these Articles and shall be deemed to be an agent of the Director appointing him. A representative appointed pursuant to this Article 9.3 shall cease to be entitled to represent the corporation which has appointed him upon that corporation ceasing to be a Director. A representative appointed pursuant to this Article 9.3 shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent, so far as applicable, as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment any remuneration.

## **10. POWERS OF DIRECTORS**

10.1 Without prejudice to the powers conferred by regulation 70 of Table A, the Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any undertaking which is or was a subsidiary undertaking of the Company or allied to or associated with the Company or any such subsidiary undertaking, or of any of the predecessors in business of the Company or of any such other undertaking and the spouses,

widows, widowers, families and dependants of any such persons and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons.

- 10.2 Without prejudice to the foregoing the Board shall have the power to propose, amend and implement, as permitted by and subject to the requirements of the Pensions Act, arrangements (the "Selection Arrangements") for the nomination, election, selection, appointment and removal of Member Nominated Directors.

## **11. DELEGATION OF BOARD'S POWERS**

- 11.1 Subject to the Statutes, the Board may delegate any of its powers to any committee consisting of one or more Directors and such other persons as shall be co-opted provided that (in the case of a committee which includes persons other than Directors in its number) the majority of the members of such committee shall be Directors.
- 11.2 Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of the powers of the Board and may be revoked or altered.
- 11.3 Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying. Provided that the quorum for a meeting of a committee consisting only of Directors shall be two and the quorum of a committee consisting of Directors and any other persons shall be two Directors or such number of Directors as shall be a majority of those present (whichever is the greater).

## **12. APPOINTED DIRECTORS**

- 12.1 The Appointed Directors shall be such persons as the Founder shall nominate at any time and from time to time (subject to Article 9.1) by notice in writing to the Company. The Founder shall be entitled to remove any Director so nominated by like notice. Any such notice given by the Founder shall include the name of any person so nominated or removed and in the event that a corporation is so nominated shall also include the name of the duly authorised representative by which it is to act.
- 12.2 Any vacancy occurring in the office of an Appointed Director may forthwith be filled by such notice to the Company.
- 12.3 A notice signed by the secretary of the Founder shall be sufficient evidence of the exercise by the Founder of its rights under this Article 12 and any person so nominated as an Appointed Director shall automatically be appointed or removed as an Appointed Director upon receipt by the Company of any such notice.

12.4 All Directors appointed pursuant to this Article 12 shall be Appointed Directors.

**13. MEMBER NOMINATED DIRECTORS**

13.1 The Board shall appoint as Member Nominated Directors those persons who shall have been selected as Member Nominated Directors under the Selection Arrangements. Any such appointments shall be made by the Board (provided that the Board has received notification of the selection in accordance with Article 14.6) at the next meeting of the Board following the selection of such Member Nominated Directors under the Selection Arrangements.

13.2 Subject to Article 16 and as provided in this Article and Article 13.4, the Member Nominated Directors appointed pursuant to Article 13.1 shall hold office for a period of five years from the date of their appointment. The Member Nominated Directors shall, subject to Article 13.3, retire from office on the fifth anniversary of the date of appointment or, if later, at the next meeting of the Board held following completion of the procedure under the Selection Arrangements for the selection of further Member Nominated Directors which shall be notified to the Board by the secretary pursuant to Article 13.6. This Article 13.2 shall apply at the end of every such five year period to all Member Nominated Directors previously selected at the beginning of that period under the procedure contained in the Selection Arrangements and their replacements pursuant to Article 13.4.

13.3 A retiring Member Nominated Director shall be eligible for re-appointment at the end of his term of office provided that he shall be otherwise eligible for re-appointment under the Selection Arrangements.

13.4 In the event that a Member Nominated Director cease to be a Member Nominated Director, whether by resignation, death or otherwise, (hereinafter referred to as an "Outgoing Member Nominated Director") the Board shall appoint as a replacement Member Nominated Director such person as shall be eligible to replace such Outgoing Member Nominated Director pursuant to the Selection Arrangements. Any such appointment shall be made by the Board at the next meeting of the Board following the selection of any such replacement Member Nominated Director which shall be notified to the Board by the Secretary pursuant to Article 13.6 and the replacement Member Nominated Director shall hold office until the fifth anniversary of the appointment of the Outgoing Member Nominated Director or, if later, the next meeting of the Board held following completion of the procedure under the Selection Arrangements for the selection of further Member Nominated Directors which shall be notified to the Board by the Secretary pursuant to Article 13.6



- 13.5 All Directors appointed pursuant to this Article 13 shall be Member Nominated Directors.
- 13.6 A letter signed by the Secretary specifying the name of a person selected as a Member Nominated Director and confirming that the relevant person named therein has been selected pursuant to the Selection Arrangements shall be sufficient evidence of his eligibility for such appointment and shall be final.
- 13.7 Notwithstanding the provisions of Article 13.2, the Secretary shall when notifying the Board in accordance with Article 13.6 also notify the Board if, in accordance with the Selection Arrangements, any Member Nominated Director is to hold office for a period of less than five years and, in any such case, such Member Nominated Director shall retire from office on the date specified by the Secretary in such notification and the provisions of Articles 13.2 and 13.3 shall apply as if the reference to the fifth anniversary of the date of appointment was a reference to the date specified in the notification.

#### **14. APPOINTMENT OF DIRECTORS IN GENERAL MEETING**

- 14.1 No person shall be appointed a Director at any general meeting unless:
- 14.1.1 in the case of a Member Nominated Director the person or persons to be appointed shall have been elected in accordance with the Selection Arrangements or otherwise eligible under Article 13 but the Board has failed to appoint such person as a Member Nominated Director; and
- 14.1.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meetings has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors maintained pursuant to the Act together with notice executed by that person of his willingness to be appointed or reappointed.
- 14.2 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the Board for appointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a Director. The notice shall give the particulars of that person which would if he were so appointed, be required to be included in the Company's register of directors maintained pursuant to the Act.

## 15. DISQUALIFICATION AND REMOVAL OF DIRECTORS

### 15.1 The office of a Director shall be vacated if:

- 15.1.1 he ceases to be a Director by virtue of any provision of the Act or the Pensions Act or he becomes prohibited by law from being a Director; or
- 15.1.2 he is disqualified from acting as a director of the Company under the Pensions Act in which case such vacation shall take effect immediately prior to such Directors' disqualification; or
- 15.1.3 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 15.1.4 the Director is a corporation and it take any corporate action or other steps or legal proceedings are commenced for its winding-up, dissolution or for it to enter into any arrangement or composition for the benefit of creditors or for the appointment of a receiver, administrator, administrative receiver, trustee or similar person of any of its revenues or assets or distress is executed against, or an encumbrancer takes possession of any of its revenues or assets; or
- 15.1.5 he is a person with mental disorder and the Board resolves his office be vacated; or
- 15.1.6 he resigns his office by at least one calendar month's notice in writing to the Company or such other period of notice as the Board shall agree either generally or in relation to any particular Director; or
- 15.1.7 he is removed from office under Section 303 of the Act or by extraordinary resolution of the Company; or
- 15.1.8 he is absent from 2 successive meetings of the Directors without permission of the Directors and the Directors resolve that his office be vacated; or
- 15.1.9 he is an Appointed Director and is removed from office under Article 13; or
- 15.1.10 he is a Member Nominated Director and is removed from office by a unanimous resolution of all the other Directors; or
- 15.1.11 he is a Member Nominated Director and (having been an Active Member at the date of his appointment as a Member Nominated Director) he ceases to be an Active Member;

- 15.2 Save as provided by Articles 12 to 13 inclusive and this Article 16 and subject to the provisions of the Statutes, no Director shall be appointed or removed from office and the Company shall have no power of appointing or removing a Director.

**16. DIRECTORS' INTERESTS**

- 16.1 A Director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company:

16.1.1 shall declare the nature of his interest at a meeting of the Directors in accordance with section 317 of the Act;

16.1.2 subject to such disclosure, shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.

**17. PROCEEDINGS OF DIRECTORS**

- 17.1 Subject to the provisions of the Articles, the Board may regulate its proceedings as it thinks fit. The Chairman may and the Secretary at the request of a Director shall, call a meeting of the Board. Subject to the Statutes all Directors shall be entitled to receive notice of meetings. Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

- 17.2 The quorum for the transaction of the business of the Directors shall, except when one Director only is in office, be a majority of the Directors in office at the time of the meeting. When one Director only is in office he shall have and may exercise all the powers and authorities in and over the affairs of the Company as are conferred on the Directors by the Articles.

- 17.3 The Directors may appoint one of their number to be the Chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of the Board at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within fifteen minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

- 17.4 All acts done by a meeting of the Board or of a committee of the Board or by a person acting as a Director shall notwithstanding that it is afterwards discovered that there was a defect in the appointment of any Director or that any of them were

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

17.5 A resolution in writing executed by all the Directors (including a sole Director) entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may be contained in one document or in several documents in the same terms and executed by one or more Directors.

17.6 Provided that due notice of such telephone conference call has been given as would be required for notice of a meeting of the Directors or (as the case may be) a committee of Directors, a telephone conference call during which a quorum of the Directors for the purposes of the business intended to be conducted at that meeting participates in the call shall be deemed to be a meeting of the Directors or (as the case may be) a committee of the Directors so long as all those participating can hear and speak to each other throughout the call. A resolution passed by the Directors at such a meeting shall be as valid as it would have been if passed at an actual meeting duly convened and held.

#### 18. **REMUNERATION OF DIRECTORS**

Subject to Article 21 the Directors shall be entitled to such remuneration as the Company may with the agreement of the Founder by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### 19. **DIRECTORS' EXPENSES**

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

#### 20. **EXECUTION OF DOCUMENTS**

Where the Act so permits, any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company as a deed 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 by the person or persons making it to have effect as a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

**21. DIRECTOR'S APPOINTMENTS AND INTERESTS**

21.1 Subject to the provisions of the Act, the Board may appoint one or more of its number to any executive office under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Board determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.

21.2 Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:

21.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

21.2.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

21.2.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

**22. FOR THE PURPOSE OF ARTICLE 21:**

22.1 a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

22.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

**23. NOTICES**

- 23.1 All notices given to or by any person pursuant to the Articles shall be in writing except and to the extent not required by the Statutes. Notice may be given personally or by letter. The address for service of the Company shall be the office or such other place as the Directors may appoint. The address for service of each member shall be his registered address within the United Kingdom or such other address within the United Kingdom for service as the addressee may from time to time notify to the Company for the purposes of this Article. In the absence of such address the member shall not be entitled to receive from the Company notice of any meeting.
- 23.2 In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of joint holding and notice so given shall be sufficient notice to all the joint holders.
- 23.3 A member present in person or by proxy at any meeting of the Company is deemed to have received due notice of the meeting and where required, of the purposes for which it was called.
- 23.4 Any notice or other document addressed to a member at his registered address or addresses for service in the United Kingdom is deemed to be received, if personally delivered, at the time of delivery or if sent by first class post, on the Business Day after the letter is posted or, if sent by second class post, on the second Business Day after the letter is posted. A notice or document left at a registered address for service in the United Kingdom is deemed to be received on the day it is left.

## 24. **INDEMNITY**

Subject to the Statutes, every Director, secretary or manager of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred or sustained by him in the execution and discharge of his duties or the exercise of his powers, authorities and discretions, including 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 or employee of the Company and in which judgement is given in his favour or the proceedings are otherwise disposed of without any funding or admission of any material breach of duty on his part or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability in respect of negligence, default, breach of duty or breach of trust, in relation to the affairs of the Company. Regulation 118 of Table A shall be extended accordingly.

## 25. **INSURANCE**

Subject to the Statutes the Board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or

employee, or former officer or employee of the Company or a subsidiary undertaking or in which the Company has an interest, direct or indirect, or who is or was a trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested in indemnifying him against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.