



**CERTIFICATE OF INCORPORATION  
OF A PUBLIC LIMITED COMPANY**

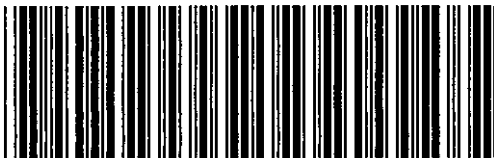
Company No. 172158

The Registrar of Companies for Scotland hereby certifies that

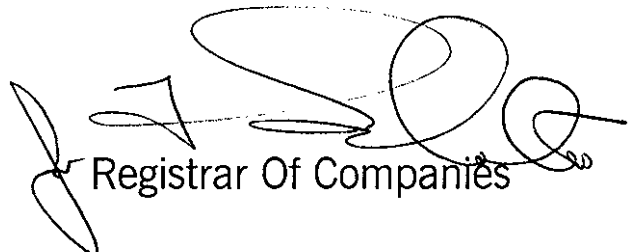
IVORY & SIME OPTIMUM INCOME TRUST II PLC

is this day incorporated under the Companies Act 1985 as a public company and that the company is limited.

Given at Companies House, Edinburgh, the 3rd February 1997



\*NSC172158F\*

  
Registrar Of Companies



C O M P A N I E S H O U S E



**OYEZ**

12

**Declaration on application for registration**



† Please delete as appropriate.

**in full**

*Ivory & Sime Optimum Income Trust II PLC*

I, *Susan Patricia Inglis*

of *Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ET*

do solemnly and sincerely declare that I am a ~~Solicitor engaged in the formation of the company~~ person named as director or secretary of the company in the statement delivered to the Registrar under section 10 of the Companies Act 1985] and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with.

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

**Declarant's signature**

Declared at

*Edinburgh*

the

*third*

day of

*February*

One thousand nine hundred and ninety

*seven*

● Please print name.

before me ●

*GORDON ALEXANDER TAYLOR*

**Signed**

*Gordon A Taylor*

Date

*3/2/97*

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number, and if available, a DX number and Exchange, of the person Companies House should contact if there is any query.

*Shepherd & Wedderburn WS (Ref: CEBG/SPI/OR12)*

*Saltire Court, 20 Castle Terrace, Edinburgh*

*EH1 2ET*

Tel *0131 228 9900*

DX number *ED49*

DX exchange *EDINBURGH*

When you have completed and signed the form please send it to the Registrar of Companies at:

**Companies House, Crown Way, Cardiff, CF4 3UZ DX 33050 Cardiff**  
for companies registered in England and Wales

or

**Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB**

for companies registered in Scotland

**DX 235 Edinburgh**

**OYEZ**

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1995 Edition 3.95

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**MEMORANDUM OF ASSOCIATION**

**of**

**IVORY & SIME OPTIMUM INCOME TRUST II PLC**

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Shepherd & Wedderburn WS  
Saltire Court  
20 Castle Terrace  
Edinburgh EH1 2ET



Tel: 0131-228 9900  
Fax: 0131-228 1222

**THE COMPANIES ACT 1985 (AS AMENDED)**



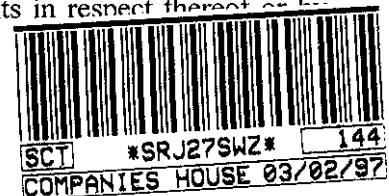
**PUBLIC COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

of

**IVORY & SIME OPTIMUM INCOME TRUST II PLC**

1. The name of the Company is " Ivory & Sime Optimum Income Trust II PLC ".
2. The Company is to be a public company.
3. The registered office of the Company will be situated in Scotland.
4. The objects for which the Company is established are:-
  - 4.1. To carry on the business of an investment trust company or investment company in all its branches and in any part of the world.
  - 4.2. To invest the capital and other moneys of the Company in the purchase or upon the security of shares, stock, debentures, debenture stock, bonds, bills, certificates, notes, warrants, units, mortgages, obligations and other securities of any kind and any options or rights in respect thereof or interests therein issued or guaranteed by any company or other entity or undertaking of whatever nature and wherever the same may be resident, incorporated or carrying on business and stocks, debentures, debenture stock, bonds, bills, certificates, notes, currency, mortgages, obligations and other securities of any kind and any options or rights in respect thereof or interests therein issued or guaranteed by any government, state, dominion, colony, sovereign ruler, commissioners, trust, public body or authority, supreme, municipal, local or otherwise, in any part of the world and to leave money on deposit or otherwise with any bank or building society, local authority or any other party and to act as and to perform all the functions of a holding company.
  - 4.3. To acquire any such shares, stock, debentures, debenture stock, bonds, bills, certificates, notes, warrants, units, currency, mortgages, obligations and other securities and any such options or rights in respect thereof or interests therein by purchase, original subscription, contract, exchange, underwriting, tender, participation in syndicates or by the acquisition of options, tranching options, warrants to acquire, conversion rights or other rights in respect thereof or interests therein.



other manner, and to acquire the same whether or not fully paid up and whether or not bearer, and to make payments thereon as called up or in advance of calls or otherwise, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof, and to hold the same with a view to investment but with power to vary any such investments from time to time, and to sell, place, dispose of, deal with, exchange or otherwise turn to account any of the same and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof and to invest in or enter into any option, futures contract or contingent agreement in connection with any of the foregoing.

- 4.4. Subject to such terms and conditions as may be thought fit, to enter into, carry on and participate in financial transactions and operations of all kinds including (without limitation) swaps, options (including traded options), swap option contracts, forward exchange contracts, futures contracts, forward rate agreements, contracts for differences, caps, collars, floors and other financial instruments (including hedging agreements of any kind) or any combination thereof or any option with respect to any such financial transaction or operation all or any of which may be on a fixed and/or floating rate basis or in respect of sterling (and any other currency or basket of currencies including, but not limited to, European Currency Units (as the same may from time to time be designated or constituted)) or commodities of any kind and in the case of such swaps, options, swap option contracts, forward exchange contracts, futures contracts, forward rate agreements, contracts for differences, caps, collars, floors and other financial instruments (including, but not limited to, hedging agreements of any kind) that may be undertaken by the Company on a speculative basis or in connection with the management of financial risks relating to the Company or any other undertaking on such terms as may be thought fit and with or without security and to undertake, carry on and execute all kinds of financial, commercial, trading, trust, agency and other operations.
- 4.5. To purchase, take on lease or in exchange, hire or otherwise acquire and hold heritable or moveable, real or personal property of every description and wherever situate, and any option, interest, estate, licence, servitude, easement, right or privilege in or over such property which the Company or its directors may deem necessary or convenient for or with reference to the purposes of any of the businesses of the Company or for investment or for the furtherance of any of the objects of the Company or as capable of being profitably dealt with in connection with any of its property or rights for the time being and in particular, but not limited to, land, buildings, apparatus, machinery, plant and stock-in-trade; and to lease, let, sub-let, surrender, mortgage, charge, pledge, sell, feu, exchange or otherwise dispose of or deal with or to occupy, factor, maintain, manage, control, work, erect, construct, alter, extend, equip, improve, exploit, develop, replace or turn to account in any other manner or way any such property or any part thereof, and to grant any option, interest, licence, servitude, easement, right or privilege in or over any such property or any part thereof and to advance money to and to enter into contracts and arrangements of all kinds with, and to carry on business as, builders, contractors and engineers.
- 4.6. To provide services of all descriptions and to carry on the business of advisers, consultants, brokers and agents of any kind.

- 4.7. To adopt such means of making known the businesses and products of the Company and of any other person or company as may in the opinion of the directors of the Company seem expedient and to carry on the business of advertisers or advertising agents or of a marketing and selling organisation or of a supplier, wholesaler, retailer, merchant or dealer of any kind.
- 4.8. To provide technical, cultural, artistic, educational, entertainment or business material, facilities or services and to carry on any business involving any such provision.
- 4.9. To advance, lend or deposit money or assets and grant or provide credit and financial accommodation, on such terms as the directors of the Company may think fit and with or without security, to or with any person or company including, but not limited to, any manager, director, officer or employee of the Company and to agents or persons acting for or dealing with or instructed by the Company and to buy and sell foreign currency and to receive from any person or company money or securities on deposit or loan or for safe custody or otherwise, on such terms as the directors of the Company may think fit, and to carry on, undertake or execute any business undertaking, transaction or operation, whether banking, financial, mercantile or otherwise.
- 4.10. To sell, exchange, manage, improve, develop, mortgage, charge, transfer, let on rent, share on profit, royalty or otherwise, grant licences, servitudes, easements, options and other rights over, and in any other manner deal with, turn to account or dispose of the undertaking, property and assets (present and future) of the Company, or any part or parts thereof, for such consideration as may be thought fit by the Company or its directors and in particular (without prejudice to the generality of the foregoing) for any shares, stock, debentures, debenture stock or other securities of any other company, whether fully or partly paid up, or for a share of profit or a royalty or other periodical or deferred payment.
- 4.11. To apply for, register, purchase or otherwise acquire, protect, maintain and renew any patents, patent rights, trade marks, designs, copyrights, licences and other intellectual property rights of all kinds or any secret or other information as to any invention and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or other information so acquired and to experiment with any such property, rights or other information which the Company may propose to acquire.
- 4.12. To make, create, draw, accept, endorse, negotiate, execute, issue, discount, buy, sell and deal with promissory notes, bills of exchange, letters of credit, warrants, coupons and other instruments and securities, whether negotiable, transferable or otherwise.
- 4.13. To issue debentures, including debenture stock, loan stock, bonds or other instruments creating or acknowledging indebtedness on such terms as to redemption, repurchase, conversion into share capital of the Company or otherwise as the Company may think fit and to repurchase any such debentures aforesaid in such manner and on such terms including as to price as the Company may think fit.
- 4.14. To amalgamate with or enter into, or acquire any interest in, any partnership or any joint venture or any arrangement for the sharing of profits or losses or interests with,

or to co-operate or participate in any way with or assist or subsidise, or to take over or assume any obligation of, any person or company carrying on or about to carry on any business which the Company is authorised to carry on, or any business or transaction capable of being conducted so as, directly or indirectly, to benefit the Company or its members, or possessed of any property suitable for the purposes of the Company.

- 4.15. To purchase or otherwise acquire, obtain options over, take over, manage, supervise, control and undertake all or any part of the business, undertaking, goodwill, property, assets, rights and liabilities of any person or company which is possessed of any property, assets or rights suitable for the purposes of the Company or which is carrying on any business which, in the opinion of the directors of the Company, may be capable of being conveniently carried on by the Company or is calculated, directly or indirectly, to enhance the value of or render profitable any of the Company's property, rights or assets, or to acquire the control of any shares or other securities of any company or any interest therein.
- 4.16. To issue and allot securities which the Company has power to issue by way of security or indemnity for any obligation or amount to any person or company whom the Company has agreed, or is bound or willing to indemnify, or in satisfaction of any liability undertaken or agreed to be undertaken by the Company (even if such obligation, amount or liability is less than the nominal amount of such securities) or for any other purpose upon such terms and conditions and for such consideration (if any) as may be thought fit by the directors of the Company.
- 4.17. To pay for any business, property or rights acquired by the Company, or for any services rendered or to be rendered to the Company, either in cash or in fully or partly paid shares in the Company, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in any other securities which the Company has power to issue, or partly in one mode and partly in another or by any other method and generally on such terms and conditions as the directors of the Company may consider expedient.
- 4.18. To acquire and carry on any business carried on by a parent undertaking or subsidiary undertaking of the Company or such other undertaking which is allied to or associated with the Company.
- 4.19. To establish or promote, or concur in establishing or promoting, any other company or companies for the purpose of taking over, acquiring, undertaking, assuming or managing all or any of the property, assets and liabilities of the Company, or for the purpose of carrying on any business which the Company is authorised to carry on, or for any other purpose which, in the opinion of the directors of the Company, may seem directly or indirectly calculated to benefit, or to enhance the objects and interests of, the Company, or the interests of its members, with power to assist such company or companies in every way but especially by providing capital and paying preliminary expenses and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire and hold or dispose of all or any of the shares, stock, debentures, debenture stock or other securities of any such company or companies.
- 4.20. To employ experts to investigate and examine the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any property, assets or rights.

- 4.21. To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee or to grant any indemnity in respect of or otherwise provide security for, with or without the Company receiving any consideration therefor or advantage therefrom, directly or indirectly, by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by any other means whatsoever, the indebtedness and liabilities of, the performance of any obligation or commitment of, and the repayment or payment of any moneys whatsoever (including but not limited to capital or principal amount, premiums, interest, dividends, commissions, charges and any costs and expenses relating thereto whether payable on or in respect of any securities or in any other manner whatsoever) by any person or company including (without prejudice to the generality of the foregoing) any company which is for the time being the parent undertaking of the Company or a subsidiary undertaking of the Company or of any such parent undertaking or any person who or company which is for the time being a member or has any interest in the Company or is otherwise associated with the Company in any business or venture.
- 4.22. To purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time directors, officers or employees of the Company or its predecessors in business or of any other undertaking which is (i) the parent undertaking of the Company or (ii) a subsidiary undertaking of the Company or of any such parent undertaking or (iii) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, or who are or were at any time trustees of any retirement benefits scheme or employees' share scheme in which any employees of the Company or of any such other undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other undertaking, retirement benefits scheme or employees' share scheme and to such extent as may be permitted by law or otherwise to indemnify or to exempt any such person against or from any such liability.
- 4.23. To enter into any arrangements with any government or authority, national, international, supreme, municipal, local, statutory or otherwise, or any person or company, which, in the opinion of the directors of the Company, may seem conducive to the attainment of the Company's objects or any of them, and to apply for, promote and obtain from any such government, authority, person or company any legislation, orders, charters, contracts, decrees, rights, licences, privileges, franchises, concessions and authorisations for enabling the Company, directly or indirectly, to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which, in the opinion of the directors of the Company, may be likely, directly or indirectly, to further the objects of the Company or the interests of its members and to carry out, exercise and comply with any such arrangements, legislation, orders, charters, contracts, decrees, rights, licences, privileges, franchises, concessions and authorisations and to oppose any



proceedings, applications, proposals or the like which the Company or its directors consider may be likely, directly or indirectly, to prejudice the interests of the Company or its members and to join with or support or assist any other person or company in so doing.

- 4.24. To remunerate the directors, officers and employees of the Company as the directors of the Company may think fit and to pay or to provide or to make such arrangements for providing such gratuities, pensions, benefits, share option and acquisition schemes, profit sharing schemes, loans and other matters and to establish, support, subsidise and subscribe to any institutions, associations, clubs, schemes, funds or trusts, whether to or for the benefit of present or past directors, officers or employees of the Company or its predecessors in business or any other undertaking which is (i) the parent undertaking of the Company or (ii) a subsidiary undertaking of the Company or of any such parent undertaking or (iii) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, or to or for the benefit of persons who are or were related to or connected with or dependants of any such directors, officers or employees or for any other purpose which may seem to the directors of the Company, whether directly or indirectly, to advance the interests of the Company.
- 4.25. To establish and contribute to any scheme for the acquisition by trustees of shares in the Company to be held for the benefit of the directors, officers or employees of the Company or its predecessors in business or of any other undertaking which is (i) the parent undertaking of the Company or (ii) a subsidiary undertaking of the Company or of any such parent undertaking (iii) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, and to lend money to or otherwise assist, directly or indirectly, any such persons, so far as may be lawful, so as to enable them to acquire shares in the Company and to establish and maintain any option or incentive scheme whereby any such persons are given the opportunity of acquiring shares in the Company or any of its subsidiary undertakings and to formulate and carry into effect any scheme for sharing the profits of the Company with its directors, officers or employees or any of them.
- 4.26. To raise or borrow money and to accept money on deposit and to secure or discharge any debt or obligation of or binding on the Company in such manner as the directors of the Company may think fit and in particular (without prejudice to the generality of the foregoing) by mortgaging, charging, pledging or granting any security over all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company, or creating and issuing debentures, debenture stock or other securities of any description for such purposes and upon such terms and conditions as the directors of the Company may think fit.
- 4.27. To pay or contribute towards the payment of the costs, charges and expenses incurred in establishing and maintaining any scheme or plan in which the Company participates for encouraging or facilitating investment in the Company or any other company participating in any such scheme or plan or the holding of, or the reinvestment of any dividends or interest declared or paid by the Company or any other company in, the securities of the Company or any other company participating

in any such scheme or plan by, or for the benefit of, the members, stockholders and debenture holders of the Company or any other company within such scheme or plan or the sale of securities of the Company or any other company participating in such scheme or plan by, or for the benefit of, the members, stockholders and debenture holders of the Company or any other company participating in any such scheme or plan.

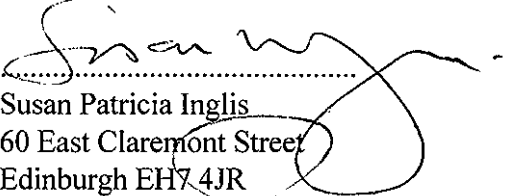
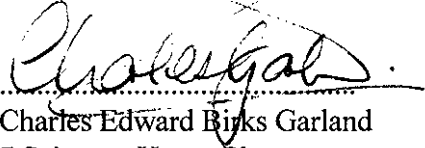
- 4.28. To distribute among the members of the Company *in specie* or kind, by way of dividend or bonus or by way of reduction of capital, all or any of the property or assets of the Company or any proceeds of sale or other disposal of any property or assets of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- 4.29. To issue or grant warrants or options to acquire or subscribe for any unissued securities of the Company.
- 4.30. To invest and deal with the money and assets of the Company in such manner as the directors of the Company may from time to time determine.
- 4.31. To procure the Company to be incorporated, registered or recognised in any part of the world.
- 4.32. To subscribe or contribute (in cash or in kind) to, and to guarantee money for, and to promote or sponsor, any national, charitable, benevolent, educational, social, public, general or useful object or any exhibition or other purpose which the Company or its directors consider may be likely, directly or indirectly, to further the interests of the Company, its employees or its members.
- 4.33. To give or pay any remuneration, brokerage, discount or other compensation or reward for services rendered or to be rendered or expenses incurred in placing or procuring subscriptions for, or otherwise assisting in the issue of, any shares or debentures or other securities of the Company or in or about the promotion, formation, registration and establishment of the Company, or the conduct or course of its business, and to establish or promote, or concur or participate in establishing or promoting, subsidise or assist any company, fund or trust and to subscribe for, underwrite, purchase or otherwise acquire securities of any company, fund or trust and to carry on the business of company, fund or trust promoters and of underwriters or dealers in securities, and to act as directors of and as secretary, manager, registrar or transfer agent for any other company and to act as executors, trustees and administrators or attorneys of any kind for any person or company, either gratuitously or otherwise, and to undertake and execute any trusts.
- 4.34. To cease carrying on or wind up any business or activity of the Company, and to cancel any registration of and to wind up or procure the dissolution of the Company in any part of the world.
- 4.35. To do all or any of the above things in any part of the world as principals, agents, contractors, managers, nominees, trustees or otherwise and either alone or jointly with others and either by or through agents, sub-contractors, nominees, trustees, subsidiary companies or otherwise.

- 4.36. To carry on any other business or activity of any nature whatsoever which, in the opinion of the directors of the Company, is or is capable of being conveniently carried on or done in connection with or ancillary to any of the businesses of the Company or which might, directly or indirectly, enhance the value of or render profitable all or any part of the Company's undertaking, property, rights or assets or which might otherwise advance the interests of the Company or its members.
- 4.37. To do all such other things as the Company or its directors may consider necessary, incidental, conducive or convenient to the attainment of the above objects, or any of them.

And it is hereby declared that (i) the word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any corporation, partnership, firm, association, undertaking, society, syndicate or other body of persons, whether incorporated or not incorporated, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere, (ii) the word "person" shall include any legal or natural person, (iii) the word "securities" shall include any fully, partly or nil paid or no par value share, stock, unit, debenture, debenture or loan stock, deposit receipt, bill, note, warrant, coupon, right to subscribe or convert, or similar right or obligation, (iv) the expressions "parent undertaking" and "subsidiary undertaking" shall have the meanings ascribed to them respectively in section 258 of the Companies Act 1985, "undertaking" shall, unless the context requires otherwise, have the meaning ascribed to it in section 259 of that Act and "holding company" shall have the meaning ascribed to it in section 736 of that Act, (v) the words "and" and "or" shall mean "and/or" where the context so permits, (vi) the words "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible and (vii) except where the context expressly so requires, none of the several sub-clauses of this Clause or the objects therein specified or the powers thereby conferred shall be limited or restricted by, or be deemed merely subordinate or auxiliary to, any other sub-clause of this Clause (whether expressly or by inference), or the objects specified in or the powers thereby conferred by such other sub-clause, or the name of the Company, and the objects specified in or powers conferred by each sub-clause of this Clause shall be construed independently of the objects specified in or conferred by any other sub-clause and may be carried out or exercised in as full and complete a manner and shall not be restrictively construed but the widest interpretation shall be given thereto as if each of the said sub-clauses specified the objects of or conferred the powers on a separate, distinct and independent company.

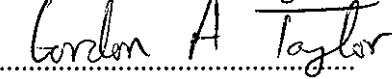
5. The liability of the members is limited.
6. The share capital of the Company is £50,000 divided into 500,000 ordinary shares of 10p each and the Company shall have the power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified or other special rights privileges, restrictions or conditions.

We, the subscribers of the Memorandum of Association, wish to be formed into a company pursuant to this Memorandum of Association and we agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, addresses and descriptions of subscribers	Number of ordinary shares taken by each subscriber
 Susan Patricia Inglis 60 East Claremont Street Edinburgh EH7 4JR	One
 Charles Edward Birks Garland 7 Sciennes House Place Edinburgh EH9 1NN	ONE
Total number of ordinary shares subscribed for	<u>Two</u>

Dated: 3 February 1997

Witness to the above signatures:-

  
 Gordon Alexander Taylor  
 47 Warrender Park Road  
 Edinburgh EH9 1EU

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**ARTICLES OF ASSOCIATION**

**of**

**IVORY & SIME OPTIMUM INCOME TRUST II PLC**

---

Shepherd & Wedderburn WS  
Saltire Court  
20 Castle Terrace  
Edinburgh EH1 2ET



Tel: 0131-228 9900  
Fax: 0131-228 1222

13

**THE COMPANIES ACT 1985 (AS AMENDED)**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**IVORY & SIME OPTIMUM INCOME TRUST II PLC**

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**PRELIMINARY**

1. The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F)(Amendment) Regulations 1985 (such regulations being hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby and such regulations (save insofar as they are excluded or varied hereby) and those Articles shall be the regulations of the Company.
2. In these Articles, references to the "Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

**SHARE CAPITAL**

3. The share capital of the Company is £50,000 divided into 500,000 ordinary shares of 10p each.

**ALLOTMENT OF SHARES**

4. Shares which are comprised in the authorised but unissued share capital of the Company shall be under the control of the directors who may (subject to sections 80 and 89 of the Act and to Articles 5 and 6 of these Articles) allot, grant options over or otherwise dispose of the same to such persons, on such terms and in such manner as they think fit.
5. The directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares in the Company up to the amount of the authorised share capital with which the Company is incorporated (save for the shares shown in the Memorandum of Association of the Company to have been taken by the subscribers to it) at any time or times during the period of five years from the date of incorporation of the Company and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution of the Company in general meeting.

6. The directors are empowered to allot and grant rights to subscribe for or convert securities into shares in the Company pursuant to the authority conferred under Article 5 of these Articles as if section 89(1) of the Act did not apply. This power shall enable the directors to allot and grant rights to subscribe for or convert securities into shares in the Company after its expiry in pursuance of an offer or agreement so to do made by the Company before its expiry.
7. Save as authorised by the Act, the Company shall not give, whether directly or indirectly, any financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151 of the Act.
8. Save as permitted by section 101(2) of the Act, no shares of the Company shall be allotted except as paid up at least as to one quarter of their nominal value and the whole of any premium.

### **SHARE CERTIFICATES**

9. The words "sealed with the seal" in the second sentence of regulation 6 of Table A shall be deleted and there shall be substituted therefor the words "executed by two directors or a director and the secretary or two authorised signatories of the Company".

### **SHARES**

10. The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

### **GENERAL MEETINGS**

11.
  - 11.1 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members with regard to their right to appoint proxies and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and, if such resolution concerns them as auditors, to the auditors for the time being of the Company.
  - 11.2 The words "and to the directors and auditors" shall be deleted where they appear at the end of regulation 38 of Table A.
12.
  - 12.1 Regulation 41 of Table A shall not apply to the Company.
  - 12.2 If a quorum is not present within half an hour from the time appointed for a general meeting, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine. If at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor, such adjourned general meeting shall be dissolved.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

13. 13.1 Regulation 64 of Table A shall not apply to the Company.
- 13.2 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution in general meeting of the Company. Subject to and in default of any such determination, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.
14. The directors shall not be required to retire by rotation and none of the following shall apply to the Company:-
  - (i) regulations 73 to 77 (inclusive) of Table A;
  - (ii) the words "and may also determine the rotation in which any additional directors are to retire" at the end of regulation 78 of Table A;
  - (iii) the second and last sentences of regulation 79 of Table A; and
  - (iv) the last sentence of regulation 84 of Table A.
15. No person shall be appointed as a director at any general meeting unless either:-
  - (i) he is recommended by the directors; or
  - (ii) not less than 14 nor more than 35 clear days before the date appointed for the general meeting notice signed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

### **BORROWING POWERS**

16. The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and to grant any mortgage, charge or standard security over the undertaking, property and uncalled capital of the Company or any part thereof and, where relevant, subject to section 80 of the Act, 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.

### **ALTERNATE DIRECTORS**

17. A director, or any other person as is mentioned in regulation 65 of Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.
18. An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company



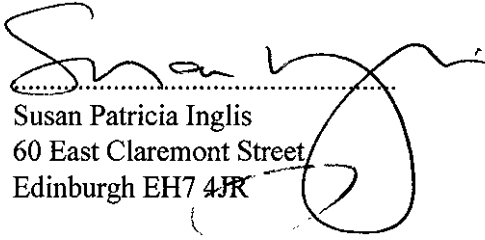
from time to time direct, and the first sentence of regulation 66 of Table A shall be modified accordingly.

### PROCEEDINGS OF DIRECTORS

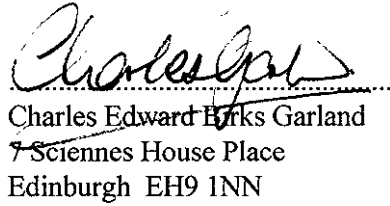
19. 19.1 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.
- 19.2 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, provided that that director has declared such interest in accordance with section 317 of the Act (if applicable) and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
20. Any director (or, where appropriate, his alternate director) or any member of a committee of the board of directors formed in accordance with the provisions of these Articles may participate in the meetings of the directors or such committee by means of conference telephone or other communications equipment whereby all parties participating in the meeting can hear and speak to one another and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and each party participating in a meeting in this manner shall be counted in the quorum present at such meeting. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled or, if there is no such group, where the chairman of the meeting then is.

### INDEMNITY

21. 21.1 Regulation 118 of Table A shall not apply to the Company.
- 21.2 Every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 144(3) or (4) or section 727 of the Act in which relief is granted to him by the court, and no director or other officer shall be liable for any loss, damage or misfortune which shall happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto provided that this Article 21.2 shall only have effect insofar as its provisions are not avoided by section 310 of the Act.
- 21.3 The directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act.

**Names and Addresses of Subscribers**

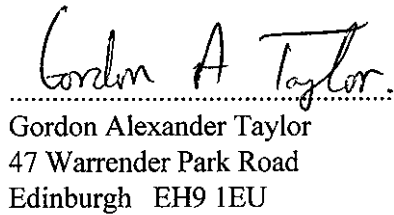
Susan Patricia Inglis  
60 East Claremont Street  
Edinburgh EH7 4JR



Charles Edward Hicks Garland  
7 Sciennes House Place  
Edinburgh EH9 1NN

Dated: 3 February 1997

Witness to the above signatures:-



Gordon Alexander Taylor  
47 Warrender Park Road  
Edinburgh EH9 1EU

**OYEZ**

Please complete in typescript, or in bold black capitals.  
Notes on completion appear on final page.

**10****First directors and secretary and intended situation of registered office**

SCT \*SRJ2CSW4\* 149  
COMPANIES HOUSE 03/02/97

**Proposed Registered Office**

(PO Box numbers only, are not acceptable)

*Ivory & Sime Optimum Income Trust II PLC**One Charlotte Square*Post town *Edinburgh*

County / Region

Postcode *EH2 4DZ*

If the memorandum is delivered by an agent for the subscriber(s) of the memorandum mark the box opposite and give the agent's name and address.

☒

Agent's Name

*Shepherd & Wedderburn WS*

Address

*Saltire Court**20 Castle Terrace*Post town *Edinburgh*

County / Region

Postcode *EH1 2ET*

Number of continuation sheets attached

Please give the name, address, telephone number, and if available, a DX number and Exchange, of the person Companies House should contact if there is any query.

*Shepherd & Wedderburn WS (Ref: CEBG/SPI/OR10)**Saltire Court, 20 Castle Terrace, Edinburgh**EH1 2ET*Tel *0131 228 9900*DX number *ED49*DX exchange *EDINBURGH*

When you have completed and signed the form please send it to the Registrar of Companies at:

**Companies House, Crown Way, Cardiff, CF4 3UZ DX 33050 Cardiff**  
for companies registered in England and Wales

or

**Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB**  
for companies registered in Scotland **DX 235 Edinburgh**

**Company Secretary** (see notes 1-5)

Company name

*Ivory & Sime Optimum Income Trust II PLC***NAME** \*Style / Title*Miss*

\*Honours

\*Voluntary details

Forename(s)

*Susan Patricia*

Surname

*Inglis*

Previous forename(s)

*None*

Previous surname(s)

*None***Address***60 East Claremont Street***Usual residential address**

For a corporation, give the registered or principal office address.

Post town

*Edinburgh*

County / Region

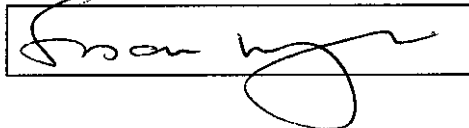
Postcode

*EH7 4JR*

Country

*Scotland*

I consent to act as secretary of the company name on page 1

**Consent signature****Date***03/02/97***Directors** (see notes 1-5)

Please list directors in alphabetical order

**NAME** \*Style / Title*Miss*

\*Honours

Forename(s)

*Susan Patricia*

Surname

*Inglis*

Previous forename(s)

*None*

Previous surname(s)

*None***Address***60 East Claremont Street***Usual residential address**

For a corporation, give the registered or principal office address.

Post town

*Edinburgh*

County / Region

Postcode

*EH7 4JR*

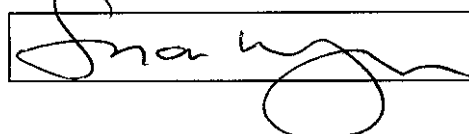
Country

*Scotland*

Day Month Year

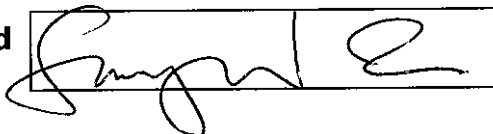
**Date of birth***13**08**64***Nationality***British***Business occupation***Solicitor***Other directorships**

I consent to act as director of the company named on page 1

**Consent signature****Date***03/02/97*

**Directors (continued)** (see notes 1-5)

<b>NAME</b>	<b>*Style / Title</b>	<input type="text" value="Mr"/>	<b>*Honours</b>	<input type="text"/>						
<b>*Voluntary details</b>	<b>Forename(s)</b>	<input type="text" value="Charles Edwards Birks"/>								
	<b>Surname</b>	<input type="text" value="Garland"/>								
	<b>Previous forename(s)</b>	<input type="text" value="None"/>								
	<b>Previous surname(s)</b>	<input type="text" value="None"/>								
<b>Address</b>	<input type="text" value="7 Sciennes House Place"/>									
<b>Usual residential address</b>	<input type="text"/>									
For a corporation, give the registered or principal office address.	<b>Post town</b>	<input type="text" value="Edinburgh"/>								
	<b>County / Region</b>	<input type="text"/>	<b>Postcode</b>	<input type="text" value="EH9 1NN"/>						
	<b>Country</b>	<input type="text" value="Scotland"/>								
	<b>Date of birth</b>	<table border="1"><tr><td>Day</td><td>Month</td><td>Year</td></tr><tr><td>16</td><td>04</td><td>65</td></tr></table>	Day	Month	Year	16	04	65	<b>Nationality</b>	<input type="text" value="British"/>
Day	Month	Year								
16	04	65								
	<b>Business occupation</b>	<input type="text" value="Solicitor"/>								
	<b>Other directorships</b>	<input type="text"/>								
		<input type="text"/>								
	I consent to act as director of the company named on page 1									
	<b>Consent signature</b>	<input type="text" value="Charles Garland"/>	<b>Date</b>	<input type="text" value="3/2/97"/>						

**This section must be signed by****Either****an agent on behalf of all subscribers****Signed****Date****Or the subscribers****(i.e those who signed as members on the memorandum of association).****Signed****Date****Signed****Date****Signed****Date****Signed****Date****Signed****Date****Signed****Date**

## Notes

1. Show for an individual the full forename(s) NOT INITIALS and surname together with any previous forename(s) or surname(s).

If the director or secretary is a corporation or Scottish firm - show the corporate or firm name on the surname line.

Give previous forename(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given,
- names not used since the age of 18 or for at least 20 years need not be given.

A peer, or an individual known by a title, may state the title instead of or in addition to the forename(s) and surname and need not give the name by which that person was known before he or she adopted the title or succeeded to it.

Address:

Give the usual residential address.

In the case of a corporation or Scottish firm give the registered or principal office.

Subscribers:

The form must be signed personally either by the subscriber/s or by a person or persons authorised to sign on behalf of the subscriber(s).

2. Directors known by another description:

- A director includes any person who occupies that position even if called by a different name, for example, governor, member of council.

3. Directors details:

- Show for each individual director their date of birth, business occupation and nationality.  
**The date of birth must be given for every individual director.**

4. Other directorships:

- Give the name of every company of which the person concerned is a director or has been a director at any time in the past 5 years. You may exclude a company which either **is or at all times during the past 5 years**, when the person was a director, **was:**
  - dormant,
  - a parent company which wholly owned the company making the return, or
  - a wholly owned subsidiary of the company making the return,
  - another wholly owned subsidiary of the same parent company.

If there is insufficient space on the form for other directorships you may use a separate sheet of paper, which should include the company's number and the full name of the director.

5. Use Form 10 continuation sheets or photocopies of page 2 to provide details of joint secretaries or additional directors and include the company's number.