

I. Centre

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
(as amended by Special Resolution on 22 December 2008)

of

TESCO PERSONAL FINANCE PLC

- I. The Company's name is TESCO PERSONAL FINANCE PLC*.
- II. The Company is to be a public company.
- III. The Company's Registered Office is to be situated in Scotland.
- IV. (1) The object of the Company is to carry on business as a general commercial company
- (2) Without prejudice to the generality of the object and the powers of the Company derived from Section 3 A of the Act the Company has power to do all or say the following things:

To carry on in any part of the world the business of banking in all or any of its aspects, conforming with the laws relating to banking whether passed before or after the date of adoption of this clause in any of the territories in which the powers hereby conferred are exercised, and generally in carrying on its said business and as ancillary hereto to do all acts and things which may seem desirable to be done in the conduct of the businesses of banking and dealing in money and securities for money or which may conduce or be calculated directly or indirectly or may be calculated to promote the profitable employment for use of the assets of the Company; and, in particular, and without prejudice to such generality.

- (i) to issue notes of all denominations or amounts payable to bearer subject to compliance with any legal requirements for time to time applicable thereto and to perform the obligations thereby undertaken;
- (ii) to receive, collect, obtain and retain money on deposit, current or savings account or on loan or otherwise, and whether at interest or otherwise, and to obtain the use and the control of money and securities and to transmit the same and to employ and use the same in any manner thought fit;
- (iii) to advance, lend, place or deposit money securities or, any other property of every kind without security of any nature or kind whatsoever, heritable or moveable, real or personal and generally to grant credit or credit facilities of any nature and to make or negotiate loans and advances, to any company or person, all upon such terms as to interest or otherwise as may be thought fit;

* Name changed by Special Resolution on 22 December 2008.

- (iv) to draw, accept, endorse, grant, discount, acquire, tender for, subscribe, buy, sell, issue, negotiate, transfer, hold, invest or deal in and borrow against, secure, retire, pay or otherwise dispose of or deal with cheques, orders, drafts, bills of exchange, promissory notes, and other instruments, securities and obligations of every kind (whether or not transferable or negotiable);
 - (v) to grant, issue, negotiate, honour, retire, pay and meet obligations from bankers' cards, cheque guarantee and cash cards, letters of credit, circular notes, travel and travellers cheques, drafts and other instruments, and all other cheques, instruments, cards or devices (whether evidenced or recorded by visible, electronic or other means) issued for the payment of debts, discharge of obligations or the transfer of funds, certificates and securities, whether to bearer or otherwise, and whether providing for the payment of money or the delivery of bullion or otherwise; to make the same or any of them assignable absolutely or otherwise; and generally to transact business in relation to all kinds of payment or transfer systems or methods used by bankers or other for the transfer of funds and settlement of debts or transactions (whether in securities or otherwise);
 - (vi) to buy, hold, sell and deal in foreign exchange, currency, bullion, speci, commodities and futures of any description and precious and other metals;
 - (vii) to receive money, valuables, securities, deeds and any other items or documents on deposit or for safe custody or otherwise, and with or without undertaking liability for any loss thereof or injury thereto and with or without remuneration.
- (3) To undertake and carry on any such other business which may seem to the Company capable of being conveniently carried on in connection with any of the above specified objects, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights, and to conduct and carry on any part of the Company's business as a separate concern, and to employ in any such separate business any particular part of the Company's capital, and to keep separate part of the Company's business and so far as any separate part of the business is the business of an investment or trust company, or of a nature similar thereto, to receive and keep separate the dividends, income, profit, bonuses and advantages of every description from time to time payable or receivable in respect of the Company's investments, and to divide the excess of current receipts over current expenditure relating to such separate part without regard to any fixed capital that may be sunk or lost, or to the loss of capital in any other part of the Company's business.
- (4) To purchase, sell, feu, exchange, improve, grant securities over, rent, let on lease, hire, surrender, licence, accept surrenders of, and otherwise acquire and/or deal with any land or interest in land and other property of any tenure or description, and to erect, pull down, repair, alter, develop, hold or otherwise deal with any land or buildings and adapt the same for the purposes of the Company's business.
- (5) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire and generally deal in all kinds of plant, machinery,

apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified herein or likely to be required by customers or other persons having or about to have dealings with the Company.

- (6) To purchase or otherwise acquire all or part of the business or assets of any person, firm or company carrying on or formed to carry on any business which this Company is authorised to carry on or possessed of property suitable to the purposes of this Company, and to pay cash or to issue any shares, stocks, debentures or debenture stock of this Company as the consideration for such purchase or acquisition and to undertake any liabilities or obligations relating to the property or business so purchased or acquired.
- (7) To sell, lease, exchange, surrender, or otherwise deal with the whole of the undertaking and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular for any shares (whether credited as partly or fully paid up or otherwise) debentures, or securities of any other company, and to divide such part or parts, as may be determined by the Company, of the purchase price, whether in cash, shares or other equivalent, which may at any time be received by the Company on a sale or other dealing with the whole or part of its property, estate, effects and rights, or as the result of any other transaction of the Company, amongst the members of the Company by way of dividend or bonus in proportion to their shares, or to the amount paid up on their shares, or otherwise to deal with this as the Company may determine.
- (8) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, joint adventure, reciprocal concessions or co-operation with any persons or company carrying on or proposing to carry on any business within the objects of this Company and to take or otherwise acquire and hold share or stock in, or securities of, and to subsidise or otherwise assist any such company, and to sell, hold, re-issue with or without guarantee, or otherwise deal with such shares or securities.
- (9) To promote or form any other company or companies for the purpose of acquiring all or any part of the property and liabilities of the Company for the time being, or for any other purpose which may seem directly or indirectly calculated to benefit the Company, and to pay or contribute towards the preliminary expenses of any such company or companies, or provide the whole or part of the capital thereof, or take shares therein, or lend money thereto upon debenture or otherwise.
- (10) To apply for and otherwise acquire any patents, brevets d'invention, concessions and the like conferring an exclusive or non-exclusive, or limited right to use any process or invention, or any secret or other information as to any invention which may seem calculated directly or indirectly to benefit this Company, and to work out, devise, develop, test, demonstrate, improve and perfect any such process or invention, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account any such inventions, processes, brevets d'invention, licences, concessions and the like, and the property, rights and information so acquired.
- (11) To lend money to such persons, upon such terms and subject to such conditions as may be desirable, and with or without security therefor.

- (12) To borrow or raise money or secure the payment of money or performance of obligations (whether by or of the Company or any other person) in such manner as the Directors shall think fit, and in particular by the granting of bonds, charges and rights in security and by the issue of debentures or debenture stock charged upon all or any of the Company's property both present and future, including its uncalled capital, and to re-issue any debentures at any time paid off.
- (13) To guarantee the payment of any debentures, debenture stock, bonds, mortgages, charges, obligations, interest, dividends, securities, moneys or shares or the performance of contracts or engagements of any other company or person, and to give indemnities and guarantees of all kinds.
- (14) To pay for any property, rights, privileges or concessions acquired or agreed to be acquired by the Company, and generally to satisfy any payment due by, or obligations of, the Company, by the issue of shares of this or any other company credited as fully or partly paid up, or of debentures or other securities of this or any other company.
- (15) To draw, make, accept, endorse, negotiate, discount, buy, sell, deal in, execute and issue promissory notes, bills of exchange, debentures, warrants, and other negotiable or transferable instruments, securities or documents.
- (16) To purchase, subscribe for, or otherwise acquire and hold shares, stocks, debentures, debenture stocks, or other interests in, or obligations of any other company or corporation, and to invest and deal with the moneys of the Company not immediately required for the purposes of the Company in or upon such securities and subject to such conditions as may seem expedient.
- (17) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing or procuring the underwriting of any of the shares or debentures or other securities of the Company or of any company in which the Company may be interested or propose to be interested, or in or about the conduct of the business of the Company whether by cash payments or the allotment of shares or securities of the Company credited as paid up in full or in part, or otherwise.
- (18) To pay out of the funds of the Company all expenses which the Company may lawfully pay relating or incidental to the formation, registration and advertising of or raising money for the Company and the issue of its capital, or for contributing to or assisting any company either issuing or purchasing with a view to issue all or any part of the Company's capital in connection with the advertising or offering of the same for sale or subscription, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or debenture stock.
- (19) To establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who may be or have been directors or officers of the Company,

or of any such other company as aforesaid, and the wives, widows, families, relations and dependants of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interest and well-being of the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.

- (20) To remunerate any person or company rendering services to the Company, whether by cash payment or by allotment to him or them of shares, debentures, debenture stock, or other securities of the Company credited as paid up in full or in part or otherwise.
- (21) To redeem or purchase any shares or securities of the Company, and to distribute any of the assets of the Company among the members in specie or shares or securities, either by way of dividend, or otherwise, but so that any redemption or purchase shall be in accordance with Part VIII of the Companies Act 1985 as amended or re-enacted and no distribution amounting to a reduction of capital may be made without the sanction of the Court when necessary.
- (22) To obtain any Provisional Order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modifications of the Company's constitution or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem likely directly or indirectly to prejudice the Company's interests.
- (23) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them in any part of the world, and either as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.

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 partnership, firm or other body of persons, whether corporate or unincorporate, and whether domiciled in the United Kingdom or elsewhere.
- (ii) In this clause, words denoting the singular number only shall include the plural and vice versa.
- (iii) The objects specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall not be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company.

V. The liability of the members is limited.

VI. The Company's Share Capital is £50,000,000 divided into 500,000,000 shares of 10p each.

WE, the subscribers of this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum, and we agree to take the number of shares shown opposite our respective names.

Names and Addresses of Subscribers Subscriber	Number of Shares by each
The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB	One
For and on behalf of The Royal Bank of Scotland plc	
N.C. Head Office Nominees Limited 42 St Andrew Square Edinburgh EH2 2YE	One
For and on behalf of N.C Head Office Nominees Limited	
TOTAL SHARES TAKEN	<u>Two</u>

Dated

WITNESS to the above signatures:-

Shirley Margaret MacGillivray
52 Erskine Road
Broxburn
EH52 6XL

Company number SC173199

J. C. W. H.

THE COMPANIES ACTS 1985 TO 2006
A PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
TESCO PERSONAL FINANCE PLC
(Incorporated on 5 March 1997)
(Adopted on 22 December 2008)

THE COMPANIES ACTS 1985 TO 2006
A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TESCO PERSONAL FINANCE PLC

(Incorporated on 5 March 1997)

(Adopted on 22 December 2008)

1. PRELIMINARY

1.1 These Articles, together with the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by (i) the Companies (Tables A to F) (Amendment) Regulations 1985; (ii) the Companies Act 1985 (Electronic Communications) Order 2000; (iii) Parts 2 and 3 of the Companies (Tables A to F) (Amendment) Regulations 2007; and (iv) the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (such Table being hereinafter referred to as **Table A**) shall be the Articles of Association of the Company (the **Articles**) save insofar as the regulations in Table A are excluded or varied hereby. The following regulations in Table A shall not apply to the Company: regulations 3 (redemption of shares), 8 (lien), 24 (directors' refusal of share transfers), 33 (fractional entitlements), 35 (purchase of own shares), 38 (notice of general meetings), 39 (omission to give notice), 40 (quorum at general meetings), 46 (methods of voting), 52 (notice of a poll), 54 (votes of members), 60-3 inclusive (appointment of proxies), 64 (number of directors), 76-79 inclusive (appointment and retirement of directors), 88 (proceedings of directors), 89 (quorum for transaction of business), 93 (written resolution of directors), 94 (conflict of interest), 95 (quorum disentitlement), 99 (secretary), 105 (dividends in specie), 112 (notices), 116 (proof of notice) and 118 (indemnity).

1.2 The Company is a public limited company.

1.3 In these Articles:

CA1985 means the Companies Act 1985 as amended from time to time;

CA2006 means the Companies Act 2006 as amended from time to time;

Associated Company means a company or other body corporate which is (or where the context admits, was at any relevant time) associated with the Company for the purposes of section 256 of the CA2006;

Companies Acts has the meaning given to it in section 2 of the CA2006 in so far as the provisions referred to in such section are in force from time to time;

electronic form has the meaning given to it in section 1168(3) of the CA2006;

electronic means has the meaning given to it in section 1168(4) of the CA2006;

hard copy and **hard copy form** have the meanings given to them in section 1168 of the CA2006;

member means a member of the Company;

Prescribed Period means any period for which the authority conferred by Article 2.1 is given by shareholder resolution stating the section 80 amount and/or the power conferred by Article 2.3 is given by special resolution stating the section 89 amount;

register means the register of members of the Company;

Section 80 amount means, for any Prescribed Period, the amount stated in the relevant resolution;

Section 89 amount means, for any Prescribed Period, the amount stated in the relevant special resolution;

Statutes means the Companies Acts and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Companies Acts;

working day has the meaning given by section 1173 of the CA2006.

2. SHARES

2.1 The whole of the shares of the Company for the time being unissued shall be under the control of the directors, who are, subject to Article 8 hereof, generally and unconditionally authorised to exercise all the powers of the Company to allot any relevant securities (as defined by section 80(2) of the CA1985) up to an aggregate nominal amount equal to the section 80 amount, for each Prescribed Period.

2.2 Before the expiry of a Prescribed Period the Company may make an offer or agreement which would or might require equity securities or other relevant securities to be allotted after such expiry. The board may allot equity securities or other relevant securities in pursuance of that offer or agreement as if the Prescribed Period during which that offer or agreement was made had not expired.

2.3 The board is empowered for each Prescribed Period to allot equity securities for cash pursuant to the authority conferred by Article 2.1 as if section 89(1) of the CA1985 did not apply to any such allotment, provided that its power shall be limited to:

- (a) the allotment of equity securities in connection with a pre-emptive issue (within the meaning given in the Companies Acts); and
- (b) the allotment (otherwise than pursuant to Article 2.3(a) of equity securities up to an aggregate nominal amount equal to the section 89 amount.

This Article applies in relation to a sale of shares which is an allotment of equity securities by virtue of this paragraph as if in this Article the words "pursuant to the authority conferred by Article 2.3(a)" were omitted.

2.4 The directors may in their absolute discretion decline to register any transfer of any share whether or not it is a fully paid share.

2.5 Subject to the provisions of Chapter VII in Part V of the CA1985, and without prejudice to any rights attached to any existing shares or class of shares, the Company may:

- (a) issue any shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder thereof; and
- (b) purchase any of its own shares (including any redeemable shares) at any price.

3. LIENS AND CALLS

3.1 The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all distributions and other monies or property attributable to it.

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

3.3 In regulation 19 of Table A there shall be substituted for the words "all dividends or other monies payable in respect of the forfeited shares" the words "all distributions and other monies or property attributable to it".

3.4 The directors may, if they think fit, direct that the Company receive from any member all or any part of the sums for the time being uncalled and unpaid on any of his shares.

4. PROCEEDINGS AT GENERAL MEETINGS

4.1 The directors shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of CA2006.

4.2 All provisions of these Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply to every separate general meeting of the holders of any class of shares in the capital of the Company, except that:

- (a) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class or, at any adjourned meeting of such holders, one holder present in person or by proxy, whatever the amount of his holding, who shall be deemed to constitute a meeting;
- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
- (c) each holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him.

For the purposes of this Article, where a person is present by proxy or proxies, he is treated only as holding the shares in respect of which those proxies are authorised to exercise voting rights.

4.3 No business shall be dealt with at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the choice or appointment of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two qualifying persons present at a meeting and entitled to vote on the business to be dealt with are a quorum, unless:

- (a) each is a qualifying person only because he is authorised under the CA2006 to act as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

For the purposes of this Article a **qualifying person** means (i) an individual who is a member of the Company, (ii) a person authorised under the CA2006 to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting.

4.4 Regulation 41 of Table A shall be read and construed as if the last sentence ended with the words ", and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved".

4.5 The following words shall be added after the first sentence of regulation 45 of Table A: "Any such adjournment may be for such time and to such other place as the chairman may, in his absolute discretion determine, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting either in accordance with Article 5.4 or by means of a document in hard copy form which, if delivered at the meeting which is adjourned to the chairman or the secretary or any director, shall be valid even though it is given at less notice than would otherwise be required by Article 5.4(a)."

4.6 A resolution put to the vote of a general meeting shall be decided on a show of hands unless before, or on the declaration of the result of, a vote on the show of hands, or on the withdrawal of any other demand for a poll, a poll is duly demanded. Subject to the provisions of the CA2006, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) (except on the election of the chairman of the meeting or on a question of adjournment) at least two members present in person or by proxy having the right to vote on the resolution; or
- (c) any member or members present in person or by proxy representing not less than 10% of the total voting rights of all the members having the right to vote on the resolution; or
- (d) any member or members present in person or by proxy holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.

The appointment of a proxy to vote on a matter at a meeting authorises the proxy to demand, or join in demanding, a poll on that matter. In applying the provisions of this Article, a demand by a proxy counts (i) for the purposes of paragraph (b) of this Article, as a demand by the member, (ii) for the purposes of paragraph (c) of this Article, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and (iii) for the purposes of paragraph (d) of this Article, as a demand by a member holding the shares to which those rights are attached.

4.7 At the end regulation 48 of Table A there shall be inserted the following sentence: "If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll."

4.8 On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

4.9 Subject to the provisions of these Articles and to any special rights or restrictions as to voting for the time being attached to any shares:

- (a) on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote;
- (b) on a show of hands, every proxy appointed by a member shall have one vote; and
- (c) on a poll, every member who is present in person or by proxy shall have one vote for every share in the Company held by him.

Where a duly authorised representative or proxy is a member in his own right, he may only vote once on a show of hands.

5. PROXIES AND CORPORATE REPRESENTATIVES

5.1 The appointment of a proxy shall be made in writing and shall be in any usual form or in any other form which the board may approve. Subject thereto, the appointment of a proxy may be:

- (a) in hard copy form; or
- (b) in electronic form, if the Company agrees.

5.2 The appointment of a proxy, whether made in hard copy form or in electronic form, shall be executed in such manner as may be approved by or on behalf of the Company from time to time. Subject thereto, the appointment of a proxy shall be executed by the appointor or any person duly authorised by the appointor or, if the appointor is a corporation, executed by a duly authorised person or under its common seal or in any other manner authorised by its constitution.

5.3 The board may, if it thinks fit, but subject to the provisions of the CA2006, at the Company's expense send hard copy forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in such form as may be approved by the board. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. A member may appoint more than one proxy to attend on the same occasion, provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that member.

5.4 Without prejudice to the first sentence of regulation 45 of Table A, the appointment of a proxy shall:

- (a) if in hard copy form, be delivered by hand or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:
 - (i) in the notice convening the meeting; or

- (ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting;

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (b) if in electronic form, be received at any address to which the appointment of a proxy may be sent by electronic means pursuant to a provision of the Companies Acts or to any other address specified by or on behalf of the Company for the purpose of receiving the appointment of a proxy in electronic form in:

- (i) the notice convening the meeting; or
- (ii) any form of proxy sent by or on behalf of the Company in relation to the meeting; or
- (iii) any invitation to appoint a proxy issued by the Company in relation to the meeting;

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in either case, where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (d) if in hard copy form, where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

In calculating the periods mentioned in this Article, the board may specify, in any case, that no account shall be taken of any part of a day that is not a working day.

5.5 Where the appointment of a proxy is expressed to have been or purports to have been made, sent or supplied by a person on behalf of the holder of a share:

- (a) the Company may treat the appointment as sufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder;
- (b) that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of any written authority under which the appointment has been made, sent or supplied or a copy of such authority certified notari ally or in some other way approved by the board, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid; and
- (c) whether or not a request under this Article has been made or complied with, the Company may determine that it has insufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder and may treat the appointment as invalid.

5.6 A proxy appointment which is not delivered or received in accordance with Article 5.4 shall be invalid. When two or more valid proxy appointments are delivered or received in respect of the same share for use at the same meeting, the one that was last delivered or

received shall be treated as replacing or revoking the others as regards that share, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy appointment is in respect of the same share, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid. Subject to the CA2006, the Company may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Articles.

5.7 A proxy appointment shall be deemed to entitle the proxy to exercise all or any of the appointing member's rights to attend and to speak and vote at a meeting of the Company. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

5.8 Any corporation which is a member of the Company (in this Article the *grantor*) may, by resolution of its board or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. Where the grantor authorises only one person, he is entitled to exercise the same powers on behalf of the grantor as the grantor could exercise if it were an individual member of the Company. Where the grantor authorises more than one person, any one of them is entitled to exercise the same powers on behalf of the grantor as the grantor could exercise if it were an individual member of the Company, save that where the grantor has authorised more than one person and more than one of them purport to exercise a power on behalf of the grantor:

- (a) if they purport to exercise the power in the same way, the power is treated as exercised in that way; and
- (b) if they do not purport to exercise the power in the same way, the power is treated as not exercised and the grantor shall be deemed to have abstained from exercising its power.

A director, the secretary or other person authorised for the purpose by the secretary may require any such person to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

5.9 The termination of the authority of a person to act as a proxy or duly authorised representative of a corporation does not affect:

- (a) whether he counts in deciding whether there is a quorum at a meeting;
- (b) the validity of anything he does as chairman of a meeting;
- (c) the validity of a poll demanded by him at a meeting; or
- (d) the validity of a vote given by that person,

unless notice of the termination was either delivered or received as mentioned in the following sentence at least three hours before the start of the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Such notice of termination shall be either by means of a document in hard copy form delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 5.4(a) or in electronic form received at the address (if any) specified by or on behalf of the Company in accordance with Article 5.4(b), regardless of whether any relevant proxy appointment as effected in hard copy form or in electronic form.

6. NOTICE OF GENERAL MEETINGS

6.1 An annual general meeting shall be called by at least 21 clear days' notice but an annual general meeting may be called by shorter notice if it is so agreed by all the members entitled to attend and vote at the meeting. A general meeting shall be called by at least 14 clear days' notice but may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting who together hold not less than 90 per cent., in nominal value of the shares giving that right.

6.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

6.3 In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of a meeting to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution.

6.4 The accidental omission to send a notice of a meeting or resolution, or to send any notification where required by the CA2006 or these Articles in relation to the publication of a notice of meeting on a website, or to send a form of proxy where required by the CA2006 or these Articles, to any person entitled to receive it, or the non-receipt for any reason of any such notice, resolution or notification or form of proxy by that person, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at that meeting.

7. DIRECTORS

7.1 Unless and until otherwise determined by the Company in general meeting the number of directors (other than alternate directors) shall not be less than one and shall not be subject to any maximum. The quorum for the transaction of the business of the directors shall be two, except where there is only a sole director in office in which case such sole director may act for all purposes and exercise all the powers of the Company. A person who holds office only as an alternate director shall, if he is present but his appointor is not, be counted in the quorum for the transaction of the business of the directors.

7.2 The Company in general meeting may appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors.

7.3 The directors shall have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors.

7.4 No person shall be disqualified from becoming a director or shall be required to vacate his office of director by reason of his attaining or having attained any age.

7.5 The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital, or any part thereof, and 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.

7.6 A director who declares the nature and extent of his interest in the manner provided by the CA2006 may vote as a director in regard to any contract or arrangement in which he is interested (including, but without prejudice to the generality of the foregoing, any contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy in which he is in any way interested) or upon any matter arising in relation to

it and, if he shall so vote, his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration.

7.7 For the purposes of section 175 of the CA2006, the directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose but such authorisation is otherwise given to the fullest extent permitted. The directors may vary or terminate any such authorisation at any time.

For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

7.8 Provided that he has disclosed to the directors the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the CA2006 apply, in which case no such disclosure is required) a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director; and
- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate:
 - (i) in which the Company is (directly or indirectly) interested as shareholder or otherwise; or
 - (ii) which is the parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company; or
 - (iii) with which he has such a relationship at the request or direction of the Company or any parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company.

7.9 Any disclosure required by Article 7.8 may be made at a meeting of the directors, by notice in writing or by general notice or otherwise in accordance with section 177 of the CA2006.

7.10 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of

interest, this Article applies only if the existence of that relationship has been approved by the directors pursuant to Article 7.7. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he fails:

- (a) to disclose any such information to the directors or to any director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a director of the Company.

7.11 Where the existence of, a director's relationship with another person has been approved by the directors pursuant to Article 7.7 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the CA2006 because he:

- (a) absents himself from meetings of the directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

7.12 The provisions of Articles 7.10 and 7.11 are without prejudice to any equitable principle or rule of law which may excuse the director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 7.11, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

7.13 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a director from voting at a meeting of the board or of a committee of the board.

7.14 Where proposals are under consideration concerning the appointment (including without limitation fixing or varying the terms of appointment) of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each director separately. In such cases each of the directors concerned shall be entitled to vote in respect of each resolution except that concerning his own appointment.

7.15 If a question arises at a meeting of the board or of a committee of the board as to the entitlement of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed. If any such question arises in respect of the chairman of the meeting, it shall be decided by resolution of the board (on

which the chairman shall not vote) and such resolution will be final and conclusive except in a case where the nature and extent of the interests of the chairman have not been fairly disclosed.

7.16 A resolution in writing signed by all the directors entitled to notice of a meeting of the directors or (as the case may be) of a committee of directors and who are entitled to attend such meeting, count in the quorum and vote on such resolution shall be as valid and effective as if it had been passed at a meeting of the directors or (as the case may be) of a committee of directors duly called and constituted provided that the number of directors signing the resolution is not less than the number of directors required for a quorum necessary for the transaction of the business of the board. The resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the directors concerned. For the purpose of this Article a resolution:

- (a) may be by means of an instrument in hard copy or electronic form sent to such address (if any) as may for the time being be notified by the Company for that purpose;
- (b) may consist of several instruments each executed by one or more directors or several electronic forms, each sent by one or more directors, or a combination of both; and
- (c) executed by an alternate director need not also be executed by his appointor.

7.17 Subject to the provisions of these Articles, the directors may regulate their proceedings as they think fit.

7.18 A director may, and the secretary at the request of any director shall, call a meeting of directors.

7.19 Questions arising at a meeting shall be decided by a majority of votes.

7.20 A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

7.21 Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in hard copy form to him at his last known address or any other address given by him to the Company for this purpose or sent in electronic form to him at an address given by him to the Company for this purpose. A director absent or intending to be absent from the United Kingdom may request to the board that notices of board meetings shall during his absence be sent in hard copy or electronic form to him (or to his alternate) at an address given by him to the Company for this purpose, but if no such request is made it shall not be necessary to give notice of a board meeting to any director who is for the time being absent from the United Kingdom and the last sentence of regulation 66 of Table A is deleted. A director may waive notice of any meeting either prospectively or retrospectively.

7.22 Directors or, if appropriate, their alternates may participate in or hold a meeting of directors or a committee of directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other; participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as that of a meeting of the directors or (as the case may be) of a committee of the directors duly convened and held with such directors physically present.

7.23 In the case of an equality of votes, the chairman shall have a second or casting vote.

7.24 In regulation 82 of Table A there shall be inserted after the words "such remuneration" the words "for their services as such", and at the end of that regulation the sentence: "A director who has ceased to hold office as such when the resolution is passed shall, unless it otherwise provides, be entitled to be paid the appropriate proportion of any remuneration voted on by the directors for a period during all or any part of which he held office".

7.25 In regulation 84 of Table A there shall be inserted in the third sentence after the words "shall terminate" the parenthesis "(unless the terms of his appointment otherwise provide)".

7.26 In regulation 87 of Table A there shall be substituted in the first line for the words "The directors" the words "The directors on behalf of the Company".

8. ASSOCIATE, DIVISIONAL OR REGIONAL DIRECTORS

8.1 The directors shall have power from time to time to designate any person or persons in the employment of the Company not being directors as associate directors or divisional directors or regional directors of the Company and also at any time to revoke such designation as regards any person so appointed.

8.2 The designation of a person as an associate director or divisional director or regional director shall not confer upon him the status of a director or entitle him to vote at meetings of the directors or to attend such meetings unless specifically invited to attend; none of the provisions of these Articles or of the Act concerning directors shall apply to an associate director or divisional director or regional director.

8.3 A person designated as an associate director or divisional director or regional director shall not, unless the directors otherwise determine, be entitled to any additional remuneration on that account and the terms of any service agreement between the Company and such a person shall in no way be affected by his designation as an associate director or divisional director or regional director or by the revocation thereof. He shall be entitled to be described as an associate director or divisional director or regional director of the Company only so long as he shall continue to be so designated.

9. HOLDING COMPANY POWERS

9.1 For so long as Tesco Personal Finance Group Limited (the ***Holding Company***), or any subsidiary of the Holding Company, shall be the holder of not less than 90 per cent. of the issued ordinary shares of the Company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles and Table A:

- (a) the Holding Company may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed but so that his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- (b) any or all powers of the directors shall be restricted in such respects and to such extent as the Holding Company may by written notice to the Company from time to time prescribe; and
- (c) no unissued shares or securities shall be issued or agreed to be issued or put under option without the consent of the Holding Company.

Any such appointment, removal, consent or notice shall be effected by an instrument in writing signed on behalf of the Holding Company by any two of its directors or by any one of its directors and either its secretary or some other person duly authorised for the purpose and shall take effect upon receipt at the registered office of the Company.

9.2 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted or as to whether any requisite consent of the Holding Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors.

10. SECRETARY

Subject to the provisions of the Companies Acts, the secretary, if any, shall be appointed by the directors for such term, at such remuneration and upon such conditions as they think fit; any secretary may be removed by them, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

11. SEAL

11.1 In regulation 101 of Table A there shall be inserted at the end of that regulation the sentence 'A document signed, with the authority of a resolution of the directors, in accordance with section 44(2) of CA2006 and expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the seal.'

11.2 The board may by resolution determine either generally or in any particular case that any certificate for shares or debentures or representing any other form of security may have any signature affixed to it by some mechanical or electronic means, or printed on it or, in the case of a certificate executed under the seal, need not bear any signature.

12. REGISTERS

Subject to the provisions of the Companies Acts, the Company may keep a local or other register in any place, and the board may make, amend and revoke any regulations it thinks fit about the keeping of that register.

13. DIVIDENDS

13.1 A general meeting declaring a dividend may, on the recommendation of the board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, including without limitation paid up shares or debentures of another body corporate. The board may make any arrangements it thinks fit to settle any difficulty arising in connection with the distribution, including without limitation (a) the fixing of the value for distribution of any assets; (b) the payment of cash to any member on the basis of that value in order to adjust the rights of members; and (c) the vesting of any asset in a trustee.

13.2 The board may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share.

14. CAPITALISATION OF PROFITS

In regulation 110(a) of Table A, the word "undivided" shall be replaced with the word "undistributed".

15. NOTICES

15.1 Any notice or other document or information sent or supplied by or to the Company (whether authorised or required to be sent or supplied by the Statutes or otherwise) to or by a member, or to or by any person entitled to enjoy or exercise all or any specified rights of a member in relation to the Company, may be sent or supplied in any way in which the CA2006 provides for documents or information to be sent or supplied by or to the Company for the purposes of any provision of the Statutes, including in particular by the Company making them available on a website.

15.2 A notice or other document or information sent in electronic form to the Company shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

16. SERVICE OF NOTICES

16.1 The Company may send or supply any notice or other document or information pursuant to these Articles to a member by whichever of the following methods it may in its absolute discretion determine:

- (a) personally;
- (b) by posting the notice or other document or information in a prepaid envelope addressed to the member at his registered address;
- (c) by leaving the notice or other document or information at that address;
- (d) by sending or supplying the notice or other document or information by electronic means to such address (if any) as may for the time being be notified to the Company by or on behalf of the member for that purpose generally or specifically (or as may be deemed by a provision in the CA2006 to have been specified for that purpose); or
- (e) by making it available on a website.

16.2 In the case of joint holders of a share, the Company shall treat as the only member entitled to receive notices or other documents or information from the Company in respect of the joint holding (whether such documents or information are required to be sent or supplied by the Statutes or otherwise) the joint holder whose name appears first in the register in respect of the joint holding.

16.3 Anything to be agreed or specified by the holder of a share which is held in joint names must be agreed or specified by the holder whose name appears first in the register in respect of the joint holding and the other joint holder or holders shall be deemed to be bound thereby.

16.4 Proof that a document or information was properly addressed, prepaid and posted shall be conclusive evidence that the document or information was sent. Proof that a document or information sent or supplied by electronic means was properly addressed shall be conclusive evidence that the document or information was sent or supplied. A document or information sent by the Company to a member by post shall be deemed to have been received:

- (a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country

to another address in that other country, on the day following that on which the document or information was posted;

- (b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the document or information was posted,

in any other case, on the second day following that on which the document or information was posted.

17. INDEMNITY AND INSURANCE

17.1 Subject to the provisions of and so far as may be permitted by and consistent with the Statutes, each current or former director or other officer (other than an auditor) of the Company or any Associated Company may be indemnified out of the assets of the Company against:

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company other than, in the case of a current or former director:
 - (i) any liability to the Company or any Associated Company; and
 - (ii) any liability of the kind referred to in section 234(3) of the CA2006;
- (b) any liability incurred by or attaching to him in connection with the activities of the Company or any Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA2006) other than a liability of the kind referred to in section 235(3) of the CA2006; and
- (c) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers. For the purpose of this Article, references to "liability" shall include all costs and expenses incurred by the current or former director or other officer (other than an auditor) in relation thereto.

17.2 Subject to the provisions of and so far as may be permitted by the Statutes, the directors may exercise all the powers of the Company to:

- (a) provide any current or former director or other officer (other than an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company, or in connection with any application for relief under the provisions mentioned in section 205(5) of the CA2006; and
- (b) do anything to enable any such person to avoid incurring such expenditure,

but so that the terms set out in section 205(2) of the CA2006 shall apply to any such provision of funds or other things so done. For the purpose of this Article references to "director" in section 205(2) of the CA2006 shall be deemed to include references to a former director or other officer (other than an auditor) of the Company.

17.3 Without prejudice to Article 17.1, the directors may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability or expense incurred by him in relation to the Company or any Associated Company or any third party in respect of any act or omission in the actual or purported discharge of the duties of the relevant office concerned or otherwise in connection with the holding of that relevant office and for this purpose **relevant office** means that of director or other officer (other than an auditor) of the Company or any company which is or was an Associated Company or any predecessor in business of the Company or of any Associated Company or that of trustee of any pension fund or retirement, death or disability scheme or other trust for the benefit of any officer or former officer (other than an auditor) of the Company or any Associated Company or of any such predecessor in business or their respective dependants.