

Company No. 4152338

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MELLI IRAN PLC

Incorporated on 1 February 2001

(New articles of association adopted by special resolution dated 29 October 2007)

"Certified as true"
Copy of original
A. Zard
Director,
22/11/07

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

MELLI IRAN PLC

Adopted by a special resolution passed on 29 October 2007

PRELIMINARY

1. REGULATIONS NOT TO APPLY

No regulations set out in any schedule to, or contained in any order, regulation or other subordinate legislation made under, any statute concerning companies shall apply as regulations or articles of the Company.

2. INTERPRETATION

2.1 In these articles, unless the context otherwise requires:

"**Act**" means the Companies Act 1985 (as amended by the Companies Act 1989) and every statutory modification or re-enactment thereof for the time being in force;

"**articles**" means these articles of association or such other articles of association of the Company from time to time in force;

"**board**" means the board of directors or the directors present or deemed to be present at a duly convened meeting of the directors or any duly authorised committee thereof at which a quorum is present;

"**clear days**" in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"**Company**" means Melli Iran plc;

"**company**" includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Act, other than the Company;

"**director**" means a director for the time being of the Company;

"**dividend**" includes a distribution out of the net profits of the Company whether in cash or in specie to any member of the Company;

"**dollar shares**" means redeemable shares of US\$1 each in the capital of the Company;

"**euro shares**" means redeemable shares of €1 each in the capital of the Company;

"**extraordinary resolution**" means a resolution passed by a majority of not less than three-quarters of the members (being entitled to vote in person, or by proxy) at an extraordinary general meeting of the Company;

"**Group**" means the Company and any company which, in relation to the Company, is a subsidiary undertaking from time to time; and references to a "**member of the Group**" or a "**Group member**" shall be construed accordingly;

"**holder**" means, in relation to any share, the member whose name is entered in the register as the holder of that share and includes two or more joint holders of that share;

"**Melli Group**" means any company which, in relation to Bank Melli Iran, is a subsidiary or subsidiary undertaking from time to time;

"**member**" means a member of the Company;

"**office**" means the registered office for the time being of the Company;

"**ordinary resolution**" means a resolution passed by the majority of the members (being entitled to vote in person, or by proxy) at a general meeting of the Company;

"**paid up**" means, in relation to any share of the Company, the amount paid up or credited as paid up as set out in the register;

"principal" means in relation to an alternate director, the director whose alternate the alternate director is;

"register" means the register of members to be kept pursuant to the Act;

"seal" means the common seal of the Company or any official or securities seal that the Company may have or may be permitted to have under the Act;

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

"shares" means the sterling shares and the dollar shares and the euro shares and **"share"** means any of them;

"special resolution" means a resolution passed by a majority of not less than three-quarters of the members (being entitled to vote in person, or by proxy) at a general meeting of the Company of which not less than 21 days' notice has been given;

"sterling shares" means ordinary shares of £1 each in the capital of the Company;

"United Kingdom" means Great Britain and Northern Ireland.

- 2.2 Unless the context requires otherwise, words and expressions contained in these articles and not defined above shall have the same meaning as in the Act, but excluding any statutory modification of that meaning not in force when these articles became binding on the Company.
- 2.3 Unless stated to the contrary references in these articles to **"written"** and **in writing"** include printing, lithography and other methods of representing or reproducing words in a legible form, and any reference to a notice, consent or approval being given in writing shall mean a notice, consent or approval sent by telex, telegram, facsimile or other electronic process (whether in use when these articles became binding on the Company or developed subsequently) capable of reproducing words in a legible and non-transitory form.
- 2.4 References in these articles to a signature shall be deemed to include a signature printed or reproduced by mechanical, electronic or other means or any stamp or other

distinctive marking or a combination of such elements made by or with the authority of the person required to sign the document to indicate it is approved by such person.

- 2.5 References in these articles to a document being sealed or executed under seal or under the common seal of any body corporate (including the Company) or any similar expression include a reference to its being executed in any other manner which has the same effect as if it were executed under seal.
- 2.6 References in these articles to a meeting shall not be taken as requiring more than one person to be present in person if any quorum requirement can be satisfied by one person.
- 2.7 References in these articles to directors in their collective capacity shall be construed as references to the board.
- 2.8 Words importing the singular number only include the plural number and vice versa.
- 2.9 Words importing one gender only include the other genders.
- 2.10 Words importing persons include corporations.
- 2.11 Where, for any purpose, an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective for that purpose; and where, for any purpose, an extraordinary resolution is required, a special resolution shall also be effective for that purpose.
- 2.12 Headings to these articles are inserted for convenience only and shall not affect construction.

SHARE CAPITAL

3. The authorised share capital of the Company as at the date of adoption of these articles is US\$225,000,000 divided into 225,000,000 dollar shares and £50,000 divided into 50,000 sterling shares and €300,000,000 euro shares.
4. Save as otherwise provided herein, the dollar shares and the sterling shares shall rank *pari passu* as between themselves. Any increase in the share capital shall not constitute a variation or modification of the rights attaching to the sterling shares or the dollar shares or the euro shares.

5. Subject to the provisions of the Act and the consent of the holders of the majority of the shares issued and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
6. Subject to the provisions of the Act and the consent of the holders of the majority of the shares issued, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by these articles.
7. Subject to the provisions of these articles and of the Act and the consent of the holders of the majority of the shares issued, all shares shall be under the control of the board and the board may allot, issue, grant options over or otherwise deal with or dispose of the shares in the original capital and any new shares that may be created to such persons, at such times and generally in such manner as they think fit.
8. Unless prohibited by law and except as otherwise provided by these articles the Company shall, if the board so determines, be bound by and recognise that a share is held upon trust if written notice of such trust is given to it by the registered holder of such share.
9. On a return of assets whether in a winding-up or reduction of capital or otherwise (except in the case of the redemption of shares of any class or the purchase by the Company of its own shares) the assets and retained profits of the Company will be distributed in order of priority as follows:
 - 9.1 To holders of sterling shares an amount no greater than the amount paid up on their shares; and
 - 9.2 To holders of dollar shares and euro shares the balance of the assets and retained profits of the Company (after the distribution pursuant to article 9.1 above).

SHARE CERTIFICATES

10. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or (upon payment for every certificate after the first of such reasonable sum as the directors may determine) several certificates each for one or more of his shares. Every certificate shall be issued under the seal, or shall bear an imprint or representation of the seal or such other form

of authentication as the directors may determine, and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates, and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

11. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine, but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

TRANSFER OF SHARES

12. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
13. The board may, in its absolute discretion and without giving any reason for so doing, refuse to register any transfer of any share, whether or not it is a fully paid share and in any event shall refuse to register the transfer of any share unless and until the approval of the Financial Services Authority to such transfer has been obtained.
14. If the board refuses to register a transfer of a share, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.
15. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the board may determine.
16. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title of any share.
17. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

18. No member shall charge or permit to arise any charge over the shares and in the event that he shall do so the board shall be entitled to require such member to transfer the shares to such person and on such terms as the board shall direct.
19. In the event that a member fails or refuses to execute a transfer of all of his shares in the Company in accordance with a request of the board in accordance with article 18 above, the board may authorise any person to execute and deliver on his behalf a transfer of such shares in favour of the transferee and may register the transferee as holder of those shares and issue to him a certificate for the same, following which the transferee shall become indefeasibly entitled to such shares.

TRANSMISSION OF SHARES

20. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest.

ALTERATION OF SHARE CAPITAL

21. The Company may by ordinary resolution:
 - 21.1 increase its share capital by new shares of such amount as the resolution prescribes;
 - 21.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - 21.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
 - 21.4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
22. The board with the consent of the holders of the majority of the issued shares of the Company issued may resolve from time to time that the Company shall redeem any or all of the dollar shares or euro shares out of distributable profits of the Company or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.

23. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the board may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase monies nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
24. Subject to the provisions of the Act and in particular the sanction of the court, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

25. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares issued pursuant to Article 7.

GENERAL MEETINGS

26. All general meetings other than annual general meetings shall be called extraordinary general meetings.
27. The board may call general meetings and, on the requisition of members holding at the date of the requisition not less than 10 per cent. of the paid-up capital of the Company that carries the right to vote at general meetings of the Company, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

28. 28.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting, may be called by shorter notice if it is so agreed:

- 28.1.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- 28.1.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being the majority together holding not less than 95 per cent. in nominal value of the shares giving a right to attend and vote at a meeting.
- 28.2 The notice shall specify the time and place of the meeting, the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 28.3 All business transacted at an extraordinary general meeting and, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the directors and auditors and the appointment of, and the fixing of the remuneration of, the auditors, all business transacted at an annual general meeting shall be deemed to be special business.
29. Subject to the provisions of these articles and to any restrictions imposed on any shares, the notice of meeting shall be given to all the members, following the death or bankruptcy of a member to all persons entitled to a share and to the directors and auditors.
30. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

31. No business shall be transacted at any meeting unless a quorum is present. The quorum shall be two persons entitled to vote upon the business to be transacted together holding the majority of the shares, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member.
32. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the board may determine; and if at any adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, or if during an adjourned meeting such a quorum ceases to be present, the meeting shall stand dissolved.

33. The chairman of the board or, in his absence, some other director appointed by the holder of the majority of the issued shares in the Company shall preside as chairman of the meeting.
34. If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
35. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company unless prior to a meeting being held the holder of the majority of the issued shares of the Company gives written notice to the Company objecting to a director attending that meeting.
36. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and (in the case of special business) the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
37. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by the chairman.
38. Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
39. The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

40. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
41. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
42. No notice need be given of a poll not taken forthwith if the time and the place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
43. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. If such a resolution in writing is described as a special resolution or as an extraordinary resolution it shall have effect accordingly.
44. In the case of joint holders of a share, the signature of any one of them is sufficient for the purposes of passing resolutions in writing under article 43.
45. A member of the Company which is a corporation may, by resolution of the board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any separate meeting of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents (in respect of that part of the corporation's holding to which the authorisation relates) as that corporation could exercise if it were an individual member present at the meeting in person; and the corporation shall, for the purposes of these articles, be deemed to be present in person at any such meeting if a person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly. A director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.

VOTES OF MEMBERS

46. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote for every share of which he is the holder; and on a poll every member shall have one vote for every share of which he is the holder.
47. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
48. Objection to the qualification of any voter may be raised at any time prior to or at the meeting or adjourned meeting at which the vote objected to is tendered. Every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
49. A member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it.
50. An instrument appointing a proxy shall be in writing in any form which is usual or in any form which the directors may approve, and shall be executed by or on behalf of the appointor.
51. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:
 - 51.1 be left at or sent by post to the office, or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, or delivered electronically, or by other data transmission process, not less than one hour before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - 51.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited or delivered as aforesaid after the poll has been demanded and not less than one hour before the time appointed for the taking of the poll; or

51.3 where the 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;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

52. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office, or at such other place as is specified in accordance with these articles for the deposit or delivery of instruments of proxy, before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded 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.

NUMBER OF DIRECTORS

53. Unless otherwise determined by ordinary resolution, there shall not be any maximum number of directors, but the minimum number shall be two.

APPOINTMENT AND REMOVAL OF DIRECTORS

54. The holders of the majority of the shares issued may, at any time and from time to time, remove any director from office or appoint any person to be a director. Such removal or appointment shall be effected by notice to the Company signed by or on behalf of such holders or holders (which notice may consist of several documents in the like form each signed by or on behalf of one or more holders) and left at or sent by post or facsimile transmission to the office or such other place designated by the directors for the purpose. Employment contracts between each of the directors and the Company will govern the terms and duration of their employment and will specify the obligations of each director and the Company including such things as remuneration and benefits.

55. Every such appointment or removal by notice in accordance with article 54 shall take effect immediately upon receipt of the notice at the office or by the secretary or (as the case may be) on such later date (if any) as may be specified in the notice.

56. A director (including an alternate director) is not required to hold any qualification shares in the Company.

57. A director shall be required to vacate his office as a director on attaining or having attained the age of 70 unless the holders of the majority of the issued shares of the Company have given written consent confirming that the director may continue in his office notwithstanding he has attained the age of 70. Section 293 of the Act shall not apply to the Company.
58. The office of a director shall be vacated if:
- 58.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - 58.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - 58.3 he resigns his office by notice in writing to the Company; or
 - 58.4 he is absent (notwithstanding that he may have appointed an alternate), without permission of the board, from meetings of directors for six consecutive months, and the directors resolve that his office be vacated; or
 - 58.5 he is removed in accordance with article 54.

REMUNERATION OF DIRECTORS

59. Subject to article 54 the directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

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

DIRECTORS' APPOINTMENTS AND INTERESTS

61. Subject to the provisions of the Act, and provided that he has disclosed to the board the nature and extent of any material interest of his, a director notwithstanding his office:

- 61.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 61.2 may be a director or other officer of, or employed by Bank Melli Iran or any member of the Melli Group or be, a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 61.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or capacity or from any such transaction or arrangement or from any interest in any such body corporate, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
62. For the purposes of article 61:
- 62.1 a general notice given in writing to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- 62.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

63. The board may provide at their discretion and as prescribed by law and consistent with market practices from time to time, insurance and benefits for any director who has held any office or employment with the Company or a subsidiary of the Company.

ALTERNATE DIRECTORS

64. Any non-executive director (other than an alternate director) may appoint any other director, or any other person approved by the board and willing to act, to be an alternate director for any one specific meeting or purpose and may remove from office an alternate director so appointed by him. The appointment of an alternate director shall terminate at the conclusion of the first board meeting of directors or committee of directors which he is entitled to attend after his appointment.

65. An alternate director shall only be entitled to receive notice of meetings of the board or meetings of a committee of directors of which his principal is a member and which he is entitled to attend pursuant to article 64, and generally to perform all the functions of his principal as a director in his absence at such meeting. Every alternate director shall receive notice of the meeting which he is entitled to attend whether or not he is absent from the United Kingdom.
66. An alternate director may be paid by the Company such expenses as might properly have been paid to him if he had been a director but shall not in respect of his office of alternate director be entitled to receive any remuneration from the Company. An alternate director shall be entitled to be indemnified by the Company to the same extent as if he were a director.
67. A person acting as an alternate director shall have a separate vote at a board or committee meeting for the director for whom he acts as alternate director, in addition to his own vote if he is also a director, but he shall count as only one director for the purpose of determining whether a quorum is present.
68. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall subject to article 64 continue after his reappointment.
69. Any appointment or removal of an alternate director shall be by notice in writing to the Company signed by the appointor (or in any other manner approved by the board) and shall take effect, subject to article 64, on receipt of such written appointment or removal at the office or by the secretary or (as the case may be) on such later date (if any) as may be specified in the notice.
70. Save as otherwise provided in these articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of his principal.

POWERS OF THE BOARD

71. Subject to the provisions of the Act, the memorandum of association of the Company and these articles and to any directions given by special resolution, the business of the Company shall be managed by the board who may exercise all the powers of the Company. No

alteration of the memorandum of association of the Company or these articles and no such direction shall invalidate any prior legitimate act of the board which would have been valid if that alteration had not been made or that direction had not been given.

72. The board may exercise all the powers of the Company to borrow money. Subject to the consent of the holders of the majority of the shares issued the board may exercise all the powers of the Company to mortgage or charge all or any part of its undertaking, property and assets and uncalled capital and, subject to the provisions of the Act, to issue debentures, debenture stock and other securities either outright or as security for any debt, liability or obligation of the Company or of any third party.
73. The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
74. The board may make such arrangements as the board thinks fit for the management and transaction of the Company's affairs in the United Kingdom and elsewhere.
75. The board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

MANAGING AND EXECUTIVE DIRECTORS AND COMMITTEES

76. The holder of the majority of the issued shares in the Company may from time to time:
 - 76.1 appoint one or more persons to the offices of managing director and deputy managing director ("**executive directors**"), or to any other office (except that of auditor) or employment in the Company, for such period and on such terms as the holder of the majority of the issued shares in the Company thinks fit, and may revoke such appointment;
 - 76.2 permit any person appointed to be a director to continue in any other office or employment held by him before he was so appointed.

A director (other than the managing director and the deputy managing director) holding any such other office or employment is in these articles referred to as a non-executive director. If

at any time two or more persons hold the office of managing director, such persons may be designated joint managing directors; and the expression "managing director" shall in these articles, where the context so admits, include any joint managing director.

77.

77.1 The executive directors shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other directors including those contained in Article 54, and if one ceases from any cause to be a director he shall ipso facto cease to be a managing director or deputy managing director as appropriate (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser).

77.2 An executive director shall ipso facto cease to be a director if he ceases for any cause to hold the office or employment by virtue of which he is termed an executive director.

78. The emoluments of the executive directors for their services as such shall be determined by the board, and may be of any description, and may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, insurance or other benefits for employees.

79. The board may constitute one or more committees consisting of such person or persons as it shall appoint, whether a director or directors of the Company or not and the board shall (in writing) set down and review from time to time the terms of reference and powers exercisable by any such committee and rules and procedures for the conduct of its business. The board may at any time dissolve the committees or remove from office any member thereof.

80. Where a committee exercises or purports to exercise any power of the Company which may under these articles be entrusted to or conferred upon it by the board:

80.1 a person dealing with the Company shall not be concerned to see or enquire whether that power has been so entrusted or conferred, nor whether any such limit, if so imposed, has been observed; and

80.2 an act of a committee done in the exercise or purported exercise of any such power shall, in favour of a person dealing with the Company, be deemed valid and effectual notwithstanding the fact (if it be so) that that power has not been entrusted to or conferred upon a committee by the board, or that a limit imposed by the board upon

the exercise of that power by the executive committee has been or will by that act be infringed, unless that person has express notice of the fact.

81. A person dealing with the Company shall, unless he has express notice to the contrary, be entitled to rely on a certificate, signed by the secretary and certifying that on a specified date the resolution therein set out was duly sanctioned as a resolution of a committee, as conclusive evidence of the fact.

PROCEEDINGS OF THE BOARD

82. Subject to the provisions of these articles, the board may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Every director shall receive notice of a meeting whether or not he is absent from the United Kingdom. Questions arising at a meeting shall be decided by the majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
83. The quorum for the transaction of the business at a meeting of the board shall be two-thirds of the directors or if their number is not three or a multiple of three, the number rounded up to the nearest whole number but in any event shall never be less than two. A person who holds office only as an alternate director shall, if his principal is not present, be counted in the quorum.
84. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of calling a general meeting or for the purpose of filling vacancies.
85. The holder of the majority of the issued shares of the Company shall appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office.
86. Any director, directors or alternate may validly participate in a meeting of the board, or of a committee of the directors, through the medium of one or more conference telephones, video-conferencing facilities or similar form of communication equipment (whether in use when these articles became binding on the Company or developed subsequently), provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all

business transacted in such manner by the board, or a committee of the board, shall, for the purposes of these articles, be deemed to be validly and effectively transacted at a meeting of the board, or of a committee of the board, even though fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place at the place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these articles shall be construed accordingly.

87. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the board or of a committee of the board shall be as valid and effectual as if it had been passed at a meeting of the board or (as the case may be) a committee of the board duly convened and held, and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his principal and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
88. Without prejudice to the obligation of a director (or alternate director) to disclose his interest in accordance with the Act or under article 61 in regard to any contract or arrangement, a director (including an alternate director) with the consent of the holder of the majority of the issued shares of the Company may vote at any meeting of the board or at a committee of the board on any resolution concerning a matter in which he has, directly or indirectly, an interest, and, he shall be counted in the quorum present at a meeting in relation to any such resolution.
89. If a question arises at a meeting of directors or of a committee of the board as to the right 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.

SECRETARY

90. Subject to the provisions of the Act, the secretary shall be appointed by the board for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by the board.

MINUTES

91. The board shall cause minutes to be made in books kept for the purpose:
- 91.1 of all appointments of officers made by the board; and

91.2 of all resolutions and proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the board, and of committees of the board, including the names of the directors present at each such meeting.

92. Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are approved, shall be sufficient evidence without further proof of the facts stated in the minutes.

THE SEAL

93. The seal shall only be used by the authority of the board or of a committee of the board authorised by the board. The board may determine who shall sign any instrument to which the seal is affixed or which is intended to take effect as if executed under seal and, unless otherwise so determined, any such instrument shall be signed by any director and by the secretary or by any two directors.

DIVIDENDS

94. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends.

95. Subject to the provisions of the Act (and in particular the availability of sufficient distributable reserves) and the consent of the holders of the majority of the shares issued, the board may pay interim dividends if it appears to it that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The board may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the board acts in good faith, none of the board shall incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

96. Except as otherwise provided by the rights attaching to shares, all dividends shall be declared and paid to all the holders of shares according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the

amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for a dividend as from a particular date, that share shall rank for that dividend accordingly.

97. A general meeting declaring a dividend may, upon the recommendation of the board, direct that it shall be satisfied wholly or partly by the distribution of assets; and, where any difficulty arises in regard to the distribution, the board may settle the same and in particular may issue fractional certificates, fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

98. Any dividend or other monies payable in respect of a share may be paid:

98.1 by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct, and payment of the cheque shall be a good discharge to the Company;

98.2 by direct debit, bank transfer or other automated system of bank transfer or funds transfer or by such other means and to or through such person or bank as the holder or joint holders or person entitled thereto may in writing direct, and any such transfer shall be a good discharge to the Company for the same.

Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other monies payable in respect of the share.

99. No dividend or other monies payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

100. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

101. Unless otherwise provided by these articles, a dividend or any other monies payable in respect of a share may be declared or paid in whatever currency the board may decide.

CAPITALISATION OF PROFITS

102. The board may with the authority of an ordinary resolution of the Company:

102.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

102.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this article 102, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

102.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article 102 in fractions; and

102.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them, respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

103. Any notice to be given to or by any person pursuant to these articles shall be in writing, except that a notice calling a meeting of the directors, or of a committee of the directors, need not be in writing.

104. The Company may give any notice to a member either

104.1 personally, or

- 104.2 by sending it by post in a prepaid envelope addressed to the member at his registered address (or at any other address in the United Kingdom notified for this purpose); or
- 104.3 by sending it by fax on a number notified for this purpose by the member; or
- 104.4 by leaving it at that address in an envelope addressed to the member; or
- 104.5 by any other means authorised by the member concerned.
- 104.6 in the case of joint holders of a share, all notices or other documents shall be served on or delivered to the joint holder whose name stands first in the register in respect of the joint holding, and notices and other documents so served or delivered shall be sufficient service on or delivery to all the joint holders.
- 104.7 a member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices served on or delivered to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.
105. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
106. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register, has been duly given to a person from whom he derives his title.
107. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
108. If, as a result of all or some of the notices, dividend warrants or other documents served on or delivered to a member by the Company being returned to the Company undelivered or as a result of such other reasonable evidence, it is apparent that during a period of at least two consecutive years such documents have not been received by that member, then the Company shall no longer be obliged to serve on or deliver notices or other documents to that member until he notifies the Company of another address to be entered as his registered address or, in

the case of a member whose registered address is outside the United Kingdom, another address in the United Kingdom as his address for service.

SECRECY

109. If the board thinks expedient, every director, alternate director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company or such one or more of them as the board may by resolution from time to time specify, shall sign a declaration recording his obligation to observe a strict secrecy respecting any secret process operated by the Company, and of all transactions of the Company with customers and others, and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the board or by any meeting of the Company, or by a court of law, and except so far as may be necessary in order to comply with any of the provisions of these articles.
110. No member shall be entitled to require discovery of, or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company, and which, in the opinion of the board, it would be inexpedient in the interest of the Company to communicate to the public.

WINDING UP

111. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes or members. The liquidator may also, with the like sanction vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability

INDEMNITY AND INSURANCE

112. Subject to the provisions of and to the extent permitted by the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every director, alternate director, secretary, auditor, other officer, agent or employee of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses,

damages and liabilities which he may incur in defending any proceedings, in which judgment is given in his favour, or in which he is acquitted., or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

113. The directors may purchase and maintain insurance for, or for the benefit of, any person who holds a relevant office, against any liability which may lawfully be insured against in relation to the affairs of the Company.
114. For the purposes of article 113, "**relevant office**" means that of director, alternate director, other officer or employee of the Company or of any company which is a subsidiary of the Company.