

COMPANIES ACT 1985

AN UNLIMITED COMPANY HAVING A SHARE
CAPITAL

MEMORANDUM OF ASSOCIATION

of

ICE FUTURES

FRIDAY



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10/08/2007
COMPANIES HOUSE

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- 1 The name of the Company is "ICE FUTURES"
- 2 The registered office of the Company will be situated in England
- 3 The objects for which the Company is established are
 - (a) To set up and administer the International Petroleum Exchange in London (hereinafter called the *IPE*) and to frame rules, regulations, and contract conditions in connection herewith
 - (b) To promote and protect the commercial interests of its Members in connection with the IPE
 - (c) To undertake by arbitration, the formation of arbitration boards, conciliation or otherwise the settlement of disputes arising in connection with the IPE and to appoint arbitrators or conciliators and provide facilities for arbitration and conciliation
 - (d) To give advice and assistance and to provide services generally for Members of the Company
 - (e) To establish and maintain professional and social contacts with terminal markets and other organisations in the commodity trades in all parts of the world
 - (f) To own and publish journals, magazines, books and other works and publications and to produce and market films and other visual aids relating to the IPE

- (g) To assist, promote, establish and contribute to exhibitions, shows and displays which may be calculated directly or indirectly to benefit Members of the Company, the IPE and persons engaged therein
- (h) To support or oppose changes in the law and to concert and promote measures for the protection and advancement of the IPE and terminal markets generally
- (i) To carry on any business or other activity which the Company may consider capable of being conveniently carried on in connection with or as ancillary to any of the Company's objects or to be calculated directly or indirectly to enhance the value of or render profitable any property of the Company or to further any of its objects
- (j) To purchase, take on lease, exchange, hire or otherwise acquire and hold for any estate or interest any real or personal property and any rights or privileges which the Company may consider necessary or convenient for the purposes of its activities
- (k) To purchase, subscribe for or otherwise acquire and hold and deal in any shares, stocks or securities of any other company.
- (l) To purchase or otherwise acquire all or any part of the business, property and liabilities of any person, firm or company carrying on any activity or business within the objects of the Company and to conduct and carry on, or liquidate and wind up, any such activity or business
- (m) To pay for any property or rights acquired by the Company either in cash or debentures or partly in one mode and partly in another, and generally on such terms as the Company may agree
- (n) To accept payment for any property or rights sold or otherwise disposed of or dealt with or for any services rendered by the Company either in cash, by instalments or otherwise, or in shares of any company with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of a mortgage or by debentures or debenture stock or any company or partly in one mode and partly in another, and generally on such terms as the Company may agree to hold, deal with or dispose of any consideration so received
- (o) To borrow or raise money upon such terms and on such security as the Company may consider expedient and in particular by the issue or deposit of notes, debentures or debenture stock (whether perpetual or not) and to secure to repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company both present and future
- (p) To stand surety for or to guarantee support or secure the performance of all or any of the obligations of any person, firm or company whether by personal covenant or by mortgages, charge or lien upon the whole or any part of the



undertaking, property and assets of the Company, both present and future or by both such methods

- (q) To invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments and securities (including land of any tenure in any part of the world) in such manner as the Company may consider expedient and to dispose of or vary any such investments or securities
- (r) To lend money or give credit to such persons, firms or companies and on such terms as the Company may consider expedient and to receive money on deposit or loan from any person, firm or company
- (s) To enter into any arrangement with any government or other authority, international, supreme, municipal, local or otherwise, and to obtain from any such government or authority any rights, concessions and privileges which the Company may consider conducive to its object or any of them
- (t) To take all necessary and proper steps in parliament or with any government or authority, international, supreme, municipal, local or otherwise for the purpose of carrying out, extending or varying the objects and powers of the Company, or altering its constitution, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests
- (u) To enter into partnership or into any arrangements for joint working in business or for sharing profits or to amalgamate with any person, firm or company carrying on or proposing to carry on any activity or business which the Company is authorised to carry on or any business or transaction which the Company may consider to be capable of being conducted so as directly or indirectly to benefit the Company
- (v) To grant pensions, allowances, gratuities and bonuses to the full time employed officers, employees or ex-employees of the Company or of any company which is or was a subsidiary of the Company or the families or dependants of such persons, and to make payments towards insurance and to establish or support or aid in the establishment and support of associations, institutions, clubs, funds, trusts and schemes which the Company may consider to be calculated to benefit such persons
- (w) To subscribe or guarantee money for charitable benevolent or political objects or for any exhibition or for any useful object of a public or general nature.
- (x) To undertake and execute any trusts the undertaking whereof the Company may consider to be desirable, and either gratuitously or otherwise
- (y) To sell, exchange, lease, dispose of, turn to account or otherwise deal with the whole or any part of the undertaking of the Company for such consideration as the Company may agree



- (z) To remunerate in such manner as the Company may consider expedient any person, firm or company rendering services to the Company or in or about its formation or promotion
- (aa) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange, bills of lading, scrip warrants and other transferable or negotiable instruments
- (bb) To buy or sell futures and options contracts, whether as principal or for the account of a Member, in such circumstances as the Regulations may stipulate
- (cc) To do all such other things as the Company may consider incidental or conducive to the attainment of the above objects or any of them
- (dd) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company, or which the Company shall consider to be in the nature of preliminary expenses

It is hereby declared that where the context so admits in this clause 3 the word "company" shall be deemed, except where used to refer to the Company, to include any partnership or other body of persons whether or not incorporate and, if incorporated, whether or not a company within the meaning of the Companies Act 1948 and that the objects specified in each of the sub-clauses of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed therein) by reference to or inference from the terms of any other sub-clause 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 defined the objects of a separate and distinct company

4 Words and expressions used herein shall have the same meanings (where the context permits) as they are given in the Articles of Association with which the Exchange is incorporated



COMPANY No. 01528617

ICE FUTURES

(the *Company*)

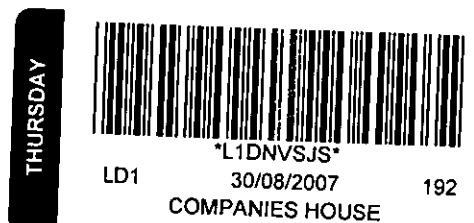
SOLE MEMBER'S WRITTEN RESOLUTION

In accordance with section 382B of the Companies Act 1985, **WE**, being the sole member of the Company who at the date of this resolution would be entitled to attend and vote at a general meeting of the Company, **DECLARE** that the following resolution shall have effect as if passed by the Company in general meeting as a special resolution and accordingly **WE RESOLVE**

1. **THAT** ~~the name of the Company be changed from "ICE Futures" to "ICE Futures Europe",~~
2. **THAT** the memorandum and articles of association of the Company be amended accordingly to reflect the change in name of the Company,
3. **THAT** the regulations contained in the document attached to this written resolution marked "A", and initialled by the Member of the Company for the purposes of identification, be adopted as the new articles of association of the Company to replace in their entirety the existing articles of association of the Company,


For and on behalf of
ICE FUTURES HOLDCO No.1 LIMITED

Date 29 August 2007



"A"

COMPANY NO. 01528617

COMPANIES ACT 1985

AN UNLIMITED COMPANY HAVING A SHARE
CAPITAL

ARTICLES OF ASSOCIATION

of

ICE FUTURES EUROPE

PRELIMINARY

PRELIMINARY

1 No regulations contained in any statute or subordinate legislation, including but not limited to the regulations contained in Table A or Table E in the schedule to the Companies (Table A to F) Regulations 1985 (as amended), apply as the regulations or articles of association of the Company

2 In these articles

Act means the Companies Act 1985 including any statutory modification or re-enactment of that Act for the time being in force,

Articles means the articles of the Company,

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,

director means a director of the Company and the *directors* means the directors or any of them acting as the board of directors of the Company,

executed means any mode of execution,

Exchange means the market known as the ICE Futures Europe,

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Independent Director means a person who is independent of the Company and of the Exchange and who is appointed as a non-executed director of the Company,

office means the registered office of the Company,

Regulations means the rules, regulations and contract terms and conditions as described in article 58,

seal means the common seal of the Company,

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

United Kingdom means Great Britain and Northern Ireland

3 In these articles

- (a) references to a **meeting** shall not be taken as requiring more than one person to be present if the quorum requirement for such meeting can be satisfied by one person,
- (b) unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act, but excluding any statutory modification of the Act not in force when these Articles become binding on the Company;
- (c) where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose,

SHARE CAPITAL

4 The authorised share capital of the Company at the date of adoption of these Articles is \$100 divided into 100 ordinary shares of \$1 each

5 The directors are hereby generally and unconditionally authorised pursuant to section 80 of the Act to allot relevant securities (within the meaning of section 80) up to an aggregate nominal amount equal to the authorised share capital of the Company at the date of adoption of these articles for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) five years after the date of adoption of these articles

6 The pre-emption provisions in section 89(1) of the Act and the provisions of sub-sections 90(1) to 90(6) inclusive of the Act shall not apply to any allotment of the Company's equity securities

7 Before the expiry of the authority granted by article 5 the Company may make an offer or agreement which would or might require relevant securities to be allotted



after that expiry and the directors may allot relevant securities in pursuance of that offer or agreement as if that authority had not expired

8 Subject to the provisions of articles 5, 6 and 7, the provisions of the Act and to any resolution of the Company in general meeting passed pursuant to those provisions

- (a) all unissued shares for the time being in the capital of the Company (whether forming part of the original or any increased share capital) shall be at the disposal of the directors, and
- (b) the directors may allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as they think fit

SHARE CERTIFICATES

9 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 several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be executed under the seal or otherwise in accordance with the Act or in such other manner as the directors may approve 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

10 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

LIEN

11 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it

12 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold



13 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

14 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

15 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

16 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

17 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

18 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

19 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.

20 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

21 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have

accrued The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited

22 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

23 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person

24 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

25 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share

TRANSFER OF SHARES

26 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

27 The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, whether or not it is fully paid or a share on which the Company has a lien

28 If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal

29 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 thirty days in any year) as the directors may determine

30 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share

31 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given

TRANSMISSION OF SHARES

32 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, but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him

33 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred

34 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company

ALTERATION OF SHARE CAPITAL

35 The Company may by ordinary resolution

- (a) increase its share capital by new shares of such amount as the resolution prescribes,
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (c) 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



- (d) 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

36 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors 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 money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

37 Subject to the provisions of the Act, 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

38 Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

39 All general meetings other than annual general meetings shall be called extraordinary general meetings.

40 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, 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 may call a general meeting.

NOTICE OF GENERAL MEETINGS

41 Subject to article 46, an annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice.

42 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such but a general meeting may be called by shorter notice if it is so agreed by all the members.

43 Subject to the provisions of the Articles the notice shall be given to all the members, and to the directors and auditors.

44 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

45 No business shall be transacted at any meeting unless a quorum is present A duly authorised representative of a member, or a proxy for a member, shall be a quorum

46 If such 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 day and at such time and place as the directors may determine

47 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman

48 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

49 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting

50 The chairman may, with the consent of any 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 any 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 the general nature of the business to be transacted Otherwise it shall not be necessary to give any such notice

51 A resolution put to the vote of the meeting shall be decided on a show of hands and a proxy for a member may vote on a show of hands

52 A declaration by the chairman that a resolution has been carried or lost and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact

53 A resolution in writing duly executed by or on behalf of the members shall be as effectual as if it had been passed at a general meeting duly convened and held If a resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly

VOTES OF MEMBERS

54 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and 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.

55 An instrument appointing a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor.

56 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 be left at or sent by post or by facsimile transmission 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 at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. An instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

57 A vote given 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 unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given.

REGULATIONS

58 Rules, regulations and contract terms and conditions (in these Articles called the *Regulations*) may from time to time be adopted by the Exchange for the purposes of regulating the conduct of business of the Exchange pursuant to the Financial Services and Markets Act 2000 (as amended or superseded), including provision for issue, suspension, and withdrawal of trading rights and appeals in connection therewith, for the charging of subscriptions, levies and other imposts, for regulating and maintaining an orderly market, for purposes connected with recognition of the Company for the relevant statutory purposes and such other purposes as the Company may think fit. The Regulations may be adopted, added to, revoked or amended:

- (a) by the directors (or any committee appointed by them for such purpose) subject to the provisions of these Articles,
- (b) by the directors (or any committee appointed by them for such purpose) pursuant to any express power conferred upon them by the Regulations, or
- (c) in such other manner as may be expressly provided for in the Regulations.



COMPOSITION OF THE BOARD

59 The number of directors shall be not less than two and not more than sixteen. At least two and not more than five Independent Directors (excluding the chairman for these purposes) shall be appointed to serve in such capacity at any one time in accordance with the terms hereof. The chief executive of the Company shall be appointed as a director in accordance with the terms below, and shall for so long as he holds such position, continue to be a director.

60 The directors shall appoint a committee (the "Nominations Committee"), which shall include at least the chairman, the chief executive, an Independent Director and a director who is an employee, consultant, director or the representative of a person who trades on the Exchange, which committee shall be responsible for making recommendations to the board and the members in respect of the suitability and eligibility of candidates who represent persons who trade on the Exchange, for election or appointment as directors. All recommendations made by the Nominations Committee as to the suitability and eligibility of such candidates shall be reached on such grounds as the Nominations Committee, as applicable, may decide.

61 Subject to the Articles, including in particular the rights of members to nominate persons to act as and the obligation of directors to appoint directors in accordance with the terms hereof, the Company may, at any time, by ordinary resolution appoint persons who are willing to act as directors, either to fill a vacancy or as an addition to the board.

62 Subject to the Articles, and provided it is satisfied that the appointment of such persons would not prejudice the Company's status as a "Recognised Investment Exchange" under the Financial Services and Markets Act 2000 (as amended or superseded) or any other recognition or status granted to or being sought by the Company pursuant to any law or regulation, the board may appoint such persons as it sees fit and who are willing to act as directors, either to fill a vacancy or as an addition to the board. The board will, in addition, appoint the chief executive as a director and shall from time to time appoint such number of Independent Directors as shall from time to time ensure compliance with Article 59.

63 Subject to the Acts, the board may appoint one or more of its body to hold employment or executive office (including, without limitation, that of managing director) with the Company for such term (subject to the Acts) and on any other conditions the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of contract or otherwise.

64 No person other than a director retiring (by rotation or otherwise) may be appointed or reappointed a director at a general meeting otherwise than pursuant to Article 62. A director need not be a member unless otherwise specified.

65 At each annual general meeting commencing with the annual general meeting in 2001, one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not less than one-third, shall retire from office. If there are fewer than three directors who are subject to retirement by rotation, one shall retire from office. Notwithstanding the above, if any

one or more directors who are subject to retirement by rotation were last appointed or reappointed three years or more prior to the meeting or were last appointed or reappointed at the third immediately preceding annual general meeting, he or they shall retire from office and shall be counted in obtaining the number required to retire at the meeting

66 All directors save for the chairman, the chief executive and each of the Independent Directors shall be subject to retirement by rotation. Subject to the Acts and the Articles, the directors to retire by rotation at an annual general meeting include, so far as necessary to obtain the number required, first, a director who wishes to retire and not offer himself for reappointment, and, second, those directors who have been longest in office since their last appointment or reappointment. As between two or more who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined on the basis of the composition of the board at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the close of the meeting.

67 A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

68 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in the Articles, the office of a director is vacated if

- (a) he resigns by notice delivered to the secretary at the office or tendered at a board meeting, or
- (b) where he has been appointed for a fixed term, the term expires, or
- (c) he ceases to be a director by virtue of a provision of the Acts, is removed from office pursuant to the Articles or pursuant to an ordinary resolution of the members under the Acts or becomes prohibited by law from being a director, or
- (d) he, or a company trading on the Exchange of which he is a director or an employee, is found guilty of a serious disciplinary offence under the Regulations of the Exchange or under the rules of any other regulatory body, or
- (e) he is found guilty of any criminal offence which or becomes subject to any judgement which, in the opinion of the board, adversely affects his fitness and properness to act as a director of the Company, or, if he is also a director of the Company, the directors of the Company have determined on the same basis that he be removed as a director of that company, or
- (f) he becomes bankrupt or compounds with his creditors generally, or

- (g) he is or has been suffering from mental ill health or becomes a patient for the purpose of any statute relating to mental health and the board resolves that his office be vacated, or
- (h) he is absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated, or
- (i) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors (without prejudice to a claim for damages for breach of contract or otherwise), or
- (j) he ceases to be chief executive of the Company and is not otherwise entitled to remain as a director, or
- (k) his co-directors reasonably resolve that as a result of his continuing as a director, the Company's status as a "Recognised Investment Exchange" under the Financial Services and Markets Act 2000 (as amended or superceded) or any other recognition or status granted to or being sought by the Company pursuant to any law or regulation) could be endangered or materially adversely affected or compromised as a result of his membership of the board, or
- (l) his co-directors reasonably resolve that he is no longer a fit and proper person to act as the director of a "Recognised Investment Exchange" under the Financial Services and Market Act 2000 (as amended or superseded), or
- (m) he ceases to be eligible for appointment as a director, or
- (n) he was elected as a director on 5 June 2000 following and as a result of nominations of persons known at the relevant time as "floor members" or "locals" on the Exchange and either
 - (i) the floor member or local by whom he is employed or of whom he is a director ceases to be a member of the Exchange, or
 - (ii) he ceases to be an employee or a director of such floor member or local,unless in the case of either (i) or (ii) above, prior to such time, the board in its discretion permits the director to remain in office until the next annual general meeting, or
- (o) he has become a director pursuant to the recommendation of the Nominations Committee in accordance with Article 60 and the member by whom he is employed or of whom he is a director ceases to be a member of the Company, unless, prior to such time, the board in its discretion permits the director to remain in office until the next annual general meeting, or
- (p) he has become a director pursuant to the recommendation of the Nominations Committee in accordance with Article 60 and ceases to be an employee of a director or a member, unless, prior to such time, the board in its discretion



permits the director to remain in office until the next annual general meeting, or

- (q) where he has remained in office pursuant to a decision of the board under Articles 68(n), (o) or (p), the next following annual general meeting of the Company after such decision has occurred

69 A resolution of the board declaring a director to have vacated office under the terms of this Article is conclusive as to the fact and grounds of vacation stated in the resolution

70 If the office of a director is vacated for any reason, he shall cease to be a member of any committee of the board

POWERS OF DIRECTORS

71 The business of the Company and the Exchange shall be managed by the directors who, subject to the provisions of the Act, the memorandum and the Articles and to any directions given by special resolution, may exercise all the powers of the Company and the Exchange and regulate and decide all matters concerning the Company and the Exchange as are not herein or by any other article or any regulation provided for. No alteration of the memorandum or these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by these Articles and a meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors

72 All monies, bills and notes belonging to the Exchange shall be paid to or deposited with the Exchange's bankers to an account or accounts to be opened in the name of the Exchange. Cheques on the Exchange's bankers shall be signed in a manner from time to time resolved upon by the directors. The Exchange's banking account or accounts shall be kept with such banker or bankers as the directors shall from time to time determine

73 The directors may exercise all the powers of the Company and the Exchange to borrow money, and to mortgage or charge its undertaking and property 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 and the Exchange or of any third party

74 For the avoidance of doubt, it is hereby declared that the directors shall have such other powers as are vested in them by the Regulations

75 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company or the Exchange for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers

DELEGATION OF DIRECTORS' POWERS

76 The directors may delegate any of their powers to any committee consisting of one or more directors or any other persons or people as the board of directors may decide. They may also delegate to any chief executive or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of directors so far as they are capable of applying. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

REMUNERATION OF DIRECTORS

77 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.

78 A director who, at the request of the directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors may decide.

DIRECTORS' EXPENSES

79 The directors may, subject to the approval of the board, 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 Company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

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

81 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, 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 interested,
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested, and
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

82 For the purposes of article 81

- (a) a general notice given 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
- (b) 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

83 Without prejudice to the obligation of a director to disclose his interest in accordance with section 317 of the Act, a director may not vote on or be counted in the quorum in relation to a resolution of the board or of a committee of the board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has a duty or an interest which is, to his knowledge, a material interest (otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters

- (a) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings,
- (b) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security,
- (c) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary

undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate,

- (d) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a *relevant company*), if he does not to his knowledge hold an interest in shares (as that term is used in sections 198 to 211 of the Act) representing one per cent or more of either any class of the equity share capital of or the voting rights in the relevant company,
- (e) a contract, arrangement, transaction or proposal for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates, and
- (f) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which he may benefit

DIRECTORS' GRATUITIES AND PENSIONS

84 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit

PROCEEDINGS OF DIRECTORS

85 Subject to the provisions of the Articles, the directors 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. A director may waive the requirement that notice be given to him of a meeting of directors or a committee of directors, either prospectively or retrospectively. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

86 A director may participate in a meeting of directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a

committee of directors is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors although fewer than two directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

87 The quorum necessary for the transaction of business may be decided by the board, but if not so decided, shall be five

88 The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting

89 All acts done by a meeting of directors, or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote

90 A resolution in writing or by email signed or emailed by all the directors for the time being entitled to receive notice of a board meeting and not being less than a quorum or by such number of members of a committee of the board as the board may decide, is as valid and effectual as a resolution passed at a meeting of the board or a committee of directors as the case may be. The resolution may consist of several documents in the same form each signed or emailed by one or more directors or committee members

91 Under no circumstances may a director appoint an alternate

SECRETARY

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

MINUTES

93 The directors shall cause minutes to be made in books kept for the purpose

- (a) of all appointments of officers made by the directors, and
- (b) of all proceedings of meetings of the Company, of the members of the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting

THE SEAL

94 The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed, and unless otherwise so determined every such instrument shall be signed by a director and by the secretary or by a second director.

DISTRIBUTIONS

95 Subject to the provisions of the Act, the Company may by ordinary resolution provide that a distribution be paid to members.

96 Subject to the provisions of the Act, the directors may pay interim distributions if it appears to them that they are justified by the profits of the Company available for distribution. The directors may also pay at intervals settled by them any distribution payable at a fixed rate if it appears to them that the profits available justify the payment.

NOTICES

97 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.

98 The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address.

99 A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received proper notice of the meeting, and, where requisite, of the purposes for which it was called.

WINDING UP

100 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 of members. The liquidator may, 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

101 Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, each person who is a director or secretary of the

Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the proper execution of his duties or the proper exercise of his powers, authorities and discretions including, without limitation, a liability incurred

- (a) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
- (b) 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

102 The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was

- (a) a director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect), or
- (b) trustee of a retirement benefits scheme or other trust in which a person referred to in the preceding paragraph is or has been interested,

indemnifying him against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company

