

This is the Memorandum of Association as amended by Special Resolutions dated 29 September 1994, 26 October 1994, 30 November 1998, 25 May 2000, 19 September 2002, 4 March 2005 and by Ordinary Resolutions dated 29 September 1994, 4 April 1995, 30 December 1998, 10 March 2000 and 30 March 2007

MEMORANDUM OF ASSOCIATION

OF

**TERRACE HILL GROUP PLC
(Company Number SC149799)**

Dated: 2 APRIL 2009

THE COMPANIES ACTS 1985 to 1989
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

of

TERRACE HILL GROUP PLC
(Company Number SC149799)

1. The name of the Company is Terrace Hill Group PLC*.
2. The Company is to be a public company.
3. The Company's registered office is to be situated in Scotland.
4. The objects for which the Company is established are:-
 - (A) To carry on in Scotland and elsewhere all or any of the businesses of a Holding and Financial Services Company in all its branches; to acquire by purchase, lease, concession, grant, licence or otherwise such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, debenture stock, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the Company shall deem fit; generally to hold, manage, develop, lease, sell or dispose of the same and to vary any of the investments of the Company; to invest the monies of the Company on the security or in the acquisition of real and personal property of any kind; to act as trustees of any deeds constituting or securing and debentures, debentures stock or other securities or obligations; to enter into, assist or participate in financial, commercial, mercantile, industrial and other transactions, undertakings and businesses of every description and to establish, carry on, develop and extend the same or sell, dispose of or otherwise turn the same to account and to co-ordinate the policy and administration of any companies of which this Company is a member and which are in any manner controlled by or connected with this Company: capitalists, trustees, financiers, investors, company promoters, insurance brokers and agents, mortgage brokers, management consultants, steel stockbrokers, stock and share brokers and dealers, commission and general agents; to develop and turn to account any land or other property acquired by the Company or in which it may be interested and in particular by building on, altering, demolishing, maintaining, fitting up and improving buildings and other premises on building lease or building agreement.

* **By special resolution dated 29 September 1994, the name of the Company was changed from "Park Circus Limited" to "Neill Clerk Group Limited".**

By special resolution dated 26 October 1994, the name of the Company was changed to "Neill Clerk Group PLC".

By special resolution dated 30 November 1998, the name of the Company was changed to "Property & Capital Group PLC".

By special resolution dated 25 May 2000, the name of the Company was changed to "CapitalTech PLC".

By special resolution dated 19 September 2002, the name of the Company was changed to Terrace Hill Group PLC”.

- (B) To carry on any other trade or business which may seem to the Company capable of being conveniently carried on in connection with the objects specified in Sub-Clause (A) hereof or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.
 - (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.
 - (D) To borrow or raise or secure the payment of money in such manner as the Company shall think fit for the purpose of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society.
 - (E) For the purposes of or in connection with the business of the Company to mortgage and charge the undertaking and all or any of the real and personal property and assets, present and future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount and for such consideration and with and subject to such rights, powers, privileges and conditions as may thought fit, debentures or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance. To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly.
 - (F) To give indemnity for, or to guarantee, support or secure the performance of all or any of the obligations of any person or company or partnership* whether by personal covenant or by mortgage, charge or lien on the whole or any part of the undertaking, property and assets of the Company both present and future including its uncalled capital or by all or any of such methods; and in particular, but without limiting the generality of the foregoing, to give indemnity for, or to guarantee, support or secure whether by personal covenant or by any such mortgage, charge, or lien, or by all or any of such methods, the performance of all or any of the obligations (including the repayment or payment of the principal and premium of and interest on, any securities) of any company which is for the time being the Company's Holding or Subsidiary Company as defined by Section 736 of the Companies Act 1985 or otherwise associated with the Company in business.
 - (G) To receive money on deposit or loan upon such terms as the Company may approve and to guarantee the obligations and contracts of any person or corporation.
 - (H) To apply for, purchase or otherwise acquire and hold, use, develop, sell, licence or otherwise dispose of or deal with patents, copyrights, designs, trade marks, brevets d'invention and concessions and the like and any interest therein.
- * By special resolution dated 4 March 2005, the words "or partnership" were inserted between the words "company" and "whether" where they appeared on line 2 of Clause 4 (F)**
- (I) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.

- (J) To invest and deal with the monies of the Company not immediately required for the purposes of its business or securities in or upon such investments, and in such manner from time to time be determined.
- (K) To form, promote, finance or assist any other company whether for the purpose of acquiring all or any of the undertaking, property and assets of the company or for any other purpose which may be considered expedient.
- (L) To sell, improve, manage, develop, turn to account, exchange, let on rent, grant royalty, share of profits or otherwise, grant licenses, easements and other rights in or over and in any other manner deal with or dispose of the undertakings and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (M) To subscribe for, purchase or otherwise acquire and hold shares, stock, debentures or other securities of any other company.
- (N) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation or funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is for the time being the Company's Holding or Subsidiary Company as defined by Section 736 of the Companies Act 1985, or otherwise associated with the Company in business or who are or were at anytime Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or any such other Company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards insurance of any such person as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful objects and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (O) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (P) To accept payment for any property or rights sole or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation of partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (Q) To enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit this Company, and to acquire and hold, sell, deal with or dispose of any shares, stock or securities of or other interests in any such company and to guarantee the contracts of or liabilities of, subsidise or otherwise assist, any such company.

- (R) To acquire, purchase, take over and undertake part or all of the business, property, assets and liabilities and transactions of any firm, person or company carrying on any business which this Company is authorised to carry on or which can be carried on in conjunction therewith or is capable of being conducted so as directly or indirectly to benefit the Company or to advance its interest generally.
- (S) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (T) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable) to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1) (a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (U) To do all or any of the above things in any part of the world either alone or in conjunction with others either as principals, agents, contractors, trustees or otherwise and either by or through agents, contractors, trustees or otherwise.

And it is hereby declared that, save as otherwise expressly provided, each of the paragraphs of this Clause shall be regarded as specifying separate and independent objects and accordingly shall not be in any ways limited by reference to or inference from any other paragraph or in the name of the Company and the provisions of each such paragraph shall, save as aforesaid, be carried out in as full and ample a manner and construed in as wide a sense as if each of the paragraphs defined the objects of a separate and distinct company.

- 5. The liability of the members is limited.
- 6. The authorised share capital of the Company is £10,860,000 divided into 500,000,000 Ordinary Shares of 2p each, 200,000 Cumulative 8% Redeemable Preference Shares of £1 each, 44,859 Convertible Shares of 20p each and 32,551,410 Deferred Shares of 2p each**.

**** By Special Resolution passed on 25 May 2000 the authorised share capital was increased to £5,860,000 by the creation of 3,300,000 Convertible Shares of 20p each.**

On 1 June 2001, 3,255,141 Convertible Shares each of 20p each were sub-divided into 32,551,410 Convertible Shares of 2p each and then converted into 32,551,410 Deferred Shares of 2p each. The 32,551,410 Deferred Shares were later on that day redeemed and cancelled.

The 200,000 Cumulative 8% Redeemable Preference Shares of £1 each were fully redeemed by 6 April 2001.

By Ordinary Resolution passed on 30 March 2007, the authorised share capital was increased to £10,860,000 by the creation of an additional 250,000,000 Ordinary Shares of 2p each.

By Special Resolution dated 25 May 2000 the authorised share capital of the company was increased from £5,200,000 to £5,860,000 by the creation of 3,300,000 convertible shares of 20p each.

By ordinary resolution dated 10 March 2000, the authorised share capital of the Company was increased from £1,200,000 divided into 50,000 ordinary shares of 2p

each and 200,000 Cumulative 8% Redeemable Preference Shares of £1 each, to £5,200,000 divided into 250,000,000 shares of 2p each and 200,000 Cumulative 8% Redeemable Preference Shares of £1 each, by the creation of an additional 200,000,000 Ordinary Shares of 2p each.

By ordinary resolution dated 30 December 1998, the authorised share capital of the Company was increased from £300,000 divided into 5,000,000 ordinary shares of 2p each and 200,000 Cumulative 8% Redeemable Preference Shares of £1 each, by the creation of an additional 45,000 ordinary shares of 2p each.

By ordinary resolution dated 4 April 1995, the authorised share capital of the Company was increased from £100,000 to £300,000 by the creation of 200,000 Cumulative 8% Redeemable Preference Shares of £1 each.

By ordinary resolution dated 29 September 1994, the authorised share capital of the Company was increased by the creation of an additional 900,000 shares of £0.10p each from £10,000 divided into 100,000 shares of £0.10p each, to £100,000 divided into 1,000,000 shares of £0.10p each.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
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STEPHEN MABBOTT
82 MITCHELL STREET
GLASGOW
G1 3NA

ONE

Company Registration Agent

PETER JOHN TRAINER
88A GEORGE STREET
EDINBURGH
EH2 3DF

ONE

Company Registration Agent
DATED the 16th March 1994

Witness to the above Signatures:-

JOANNE FAIRGRIEVE
88A GEORGE STREET
EDINBURGH
EH2 3DG

Company Registration Agent