

Memorandum of Association

OF
THE OWNERS

OF THE

MIDDLESBROUGH ESTATE,

LIMITED.

1. The name of the Company is "THE OWNERS OF THE MIDDLESBROUGH ESTATE, LIMITED."

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is established are:

(a) To enter into and carry into effect either with or without modification the agreement following, which agreement has been already prepared, and copies whereof have for the purposes of identification been indorsed with the signature of Henry Watson, of Middlesbrough, in the North Riding of York, Solicitor--An agreement between Sir Joseph Whitwell Pease, Bart., M.P., Arthur Pease, Alfred Edward Pease, M.P., and Henry Fell Pease, M.P., of the one part, and the Company of the other part, for the purchase and acquisition of the Middlesbrough and Salburn Estates, situate in the said North Riding, together with the ship and other shares (whether limited or unlimited in amount), policies of insurance, mortgage securities, debts, and all other the real and personal property belonging to the vendors as owners of the said estates, or either of them, and all other the assets and liabilities of the said estates and each of them.

(b) To purchase, lease, exchange or otherwise acquire lands, mines of salt and brine, quarries, clay pits, minerals, mining rights, timber ponds, or other lands covered with water,

THE COMPANIES ACTS. 1862 TO 1883.

COMPANY LIMITED BY SHARES.

Memorandum

AND

Articles of Association

OF

THE OWNERS

OF THE

MIDDLESBROUGH ESTATE
LIMITED.

ALSO

Certificate of Incorporation.

HENRY WATSON,
MIDDLESBROUGH.

and killing stock, the laying out of land for building purposes, the laying out and construction of streets, the erection of dwelling-houses, hotels, restaurants, dwelling and other houses, stables, offices, blast furnaces, smelting furnaces, rolling mills, ironworks, lime kilns, warehouses, coke ovens, gas works, machinery and works for electric lighting, and water works, and the pursuit of all other businesses which may from time to time seem to the Company directly or indirectly conducive to these objects or any of them.

(f) To purchase and sell as merchants, agents or on commission or otherwise, salt or brine, chemicals, coal, coke, ironstone, ores, iron, steel, metal, minerals, limestone, timber and other materials, articles or things, and to advance money by way of loan, on all metals and other articles and things deposited with them as owners and keepers of warrant stores. Also to purchase, take out, obtain, or work any patents or patent rights having reference to any of the objects of the Company, within the United Kingdom, and to grant licenses for issuing the same.

(g) To build, purchase, charter, hire or otherwise acquire, maintain, repair and use steam or other ships, vessels and boats and to carry on the business of ship builders, ship owners, shippers, carriers, merchants, and traders in the United Kingdom.

(h) To promote, make, provide, acquire, take, hire and let on lease, work, use, or contribute to and dispose of railways, tramways and other roads and ways, docks, quays, wharves, piles, jetties, slipways and shipping places for the purpose of developing the said estates or either of them, and for the more convenient access to any salt, brine, ironstone or other mines, quarries, clay pits, iron works, steel or other works or property of the Company, or to any port or sea-side resort or other place for the benefit of any property of the Company, or for any other purpose.

(i) To sell, lease, let on hire, exchange or otherwise dispose of absolutely, conditionally or for any limited interest any of

and rolling stock, the laying out of land for building purposes, the laying out and construction of streets, the erection of dwelling-houses, hotels, restaurants, dwelling and other houses, stables, offices, blast furnaces, smelting furnaces, rolling mills, ironworks, lime kilns, warehouses, coke ovens, gas works, machinery and works for electric lighting, and water works, and the pursuit of all other businesses which may from time to time seem to the Company directly or indirectly conducive to these objects or any of them.

(f) To purchase and sell as merchants, agents or on commission or otherwise, salt or brine, chemicals, coal, coke, ironstone, ores, iron, steel, metal, minerals, limestone, timber and other materials, articles or things, and to advance money by way of loan, on all metals and other articles and things deposited with them as owners and keepers of warrant stores. Also to purchase, take out, obtain, or work any patents or patent rights having reference to any of the objects of the Company, within the United Kingdom, and to grant licenses for issuing the same.

(g) To build, purchase, charter, hire or otherwise acquire, maintain, repair and use steam or other ships, vessels and boats and to carry on the business of ship builders, ship owners, shippers, carriers, merchants, and traders in the United Kingdom.

(h) To promote, make, provide, acquire, take, hire and let on lease, work, use, or contribute to and dispose of railways, tramways and other roads and ways, docks, quays, wharves, piles, jetties, slipways and shipping places for the purpose of developing the said estates or either of them, and for the more convenient access to any salt, brine, ironstone or other mines, quarries, clay pits, iron works, steel or other works or property of the Company, or to any port or sea-side resort or other place for the benefit of any property of the Company, or for any other purpose.

(i) To sell, lease, let on hire, exchange or otherwise dispose of absolutely, conditionally or for any limited interest any of

and rolling stock, the laying out of land for building purposes, the laying out and construction of streets, the erection of dwelling-houses, hotels, restaurants, dwelling and other houses, stables, offices, blast furnaces, smelting furnaces, rolling mills, iron works, lime kilns, warehouses, coke ovens, gas works, machinery and works for electric lighting, and water works, and the pursuit of all other businesses which may from time to time seem to the Company directly or indirectly conducive to these objects or any of them.

(f) To purchase and sell as merchants, agents or on commission or otherwise, salt or brine, chemicals, coal, coke, ironstone, ores, iron, steel, metal, minerals, limestone, timber and other materials, articles or things, and to advance money by way of loan, on all metals and other articles and things deposited with them as owners and keepers of warrant stores. Also to purchase, take out, obtain, or work any patents or patent rights having reference to any of the objects of the Company, within the United Kingdom, and to grant licenses for issuing the same.

(g) To build, purchase, charter, hire or otherwise acquire, maintain, repair and use steam or other ships, vessels and boats and to carry on the business of ship builders, ship owners, shippers, carriers, merchants, and traders in the United Kingdom.

(h) To promote, make, provide, acquire, take, hire and let on lease, work, use, or contribute to and dispose of railways, tramways and other roads and ways, docks, quays, wharves, piles, jetties, slipways and shipping places for the purpose of developing the said estates or either of them, and for the more convenient access to any salt, brine, ironstone or other mines, quarries, clay pits, iron works, steel or other works or property of the Company, or to any port or sea-side resort or other place for the benefit of any property of the Company, or for any other purpose.

(i) To sell, lease, let on hire, exchange or otherwise dispose of absolutely, conditionally or for any limited interest any of

the property, rights, or privileges of the Company, or all or any of its undertakings. Also to manage, lay out, develop, or cultivate any of the lands or property of the Company, and to carry out schemes of lighting, drainage and other works.

(j) To construct and maintain or contribute towards the construction and maintenance of any houses, buildings, churches, chapels, schools, hospitals, institutes, and other establishments for the use and benefit of workmen and others employed by the Company on its works or property.

(k) To acquire and hold, or sell and deal with shares, stock or securities of any other Company with objects similar to any of the objects of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company, and to make any authorized return of capital in the shape of shares, stock or securities of any other Company.

(l) To enter into working arrangements of all kinds with other companies, bodies and persons; also to make and carry into effect arrangements with respect to the union of interests, co-operation or amalgamation either in whole or part with other companies, bodies or persons.

(m) To obtain any provisional order or Act of Parliament for enabling the Company to carry any of its objects into effect, or for any other objects.

(n) To borrow or raise money for the purposes of the Company, and to execute and issue bonds or debentures or debenture stock to bearer or otherwise, mortgages and other instruments for securing the repayment thereof, with or without charge, upon all or any of the property of the Company, and upon such terms as to priority or otherwise as the Company shall think fit Provided always that so long as the sum of £210,000 debenture stock proposed to be issued pursuant to the intended agreement hereinbefore referred to, or any part thereof shall remain outstanding, the Company shall not have power to charge upon any part of its property or undertakings

in priority to such debenture stock a greater aggregate sum than £70,000 with interest thereon, at a rate not exceeding five per cent. per annum.

(o) To lend money with or without security.

(p) To place to reserve, or to distribute as bonus or dividend or otherwise to apply as the Company seems fit, any money received by way of premium on shares issued at a premium by the Company.

(q) To do all such other things as are incidental or conducive to the attainment of the above objects.

4. The liability of the Members is limited.

5. The capital of the Company is £420,000 divided into 42,000 ordinary shares of £10 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.	No. of Shares taken by each Subscriber.	Names and Addresses of Witnesses.
<i>Witness</i>		
Darlington in the County of Durham Agent	18898	Henry Watson Middleton House Solicitor - Darlington
Arthur Pearce Darlington aforesaid Coal Owner and Iron Worker	18898	<i>Witness</i> Darlington accountant
W. H. Pearce Darlington aforesaid Coal Owner & Mine Owner	4200	<i>Witness</i>
Alfred P. Pearce Ponemurthorpe North Riding of Yorkshire Engineer	1	A. C. Pringle Hutton Gisborne Secretary
Jos. A. Pearce Darlington aforesaid Esquire	1	<i>Witness</i>
Henry Pearce Darlington aforesaid Engineer	1	<i>Witness</i>
Darwick Dale Darlington aforesaid Coal Owner & Mine Owner	1	<i>Witness</i>
Total number of Shares taken	42000	

Dated this 12th day of July, 1886.

The Quarry of the Middleborough

Estate,

Limited, is Incorporated under the Companies' Acts, 1862 to 1883, as a Limited

Company, this Fourteenth day of July

One thousand eight hundred and eighty-six.

J. R. R. R.

Registrar of Joint Stock Companies.

Certificate of Incorporation received by:—

Henry

pro

Walter H. H. H. H.

William H. H.

Date

15/7/86

Subscribers

J. W. Pease
Darlington in the County
of Durham, Bart.

Arthur Pease
Darlington aforesaid.
Coal Owner and Mine Owner.

H. Fell Pease
Darlington aforesaid
Coal Owner & Mine Owner

Alfred E. Pease
Pinchinthorpe, North Riding
of Yorkshire, Esquire.

Jos A. Pease
Darlington aforesaid Esquire.

Ed Lloyd Pease
Darlington aforesaid Esquire.

David Dale
Darlington aforesaid
Coal Owner & Mine Owner.

Witnesses

Henry Watton
Middelsbrough
Solicitor.

C. Rutter Fry
Darlington.
Accountant.

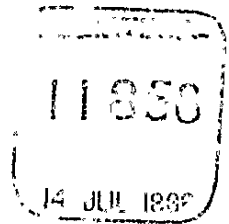
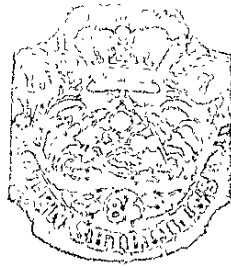
C. Rutter Fry
Do.

A. C. Gravelly
Hutton
Secretary. Gisborough.

C. Rutter Fry
Do.

C. Rutter Fry
Do.

C. Rutter Fry
Do.



Articles of Association.
OF
THE OWNERS
OF THE
MIDDLESBROUGH ESTATE,
LIMITED.

IT IS AGREED AS FOLLOWS :—

1. The regulations contained in the table marked "A" in the first Schedule to the Companies Act, 1862, shall not apply to this Company, except so far as the same are repeated or contained in these presents.

INTERPRETATION.

2. In the construction of these Articles the following words and expressions shall have the following meanings, unless excluded by something inconsistent in the subject or context :—

The words "The Company" shall mean "The Owners of the Middlesbrough Estate, Limited."

The word "Statutes" shall mean and include "The Companies Acts, 1862, 1867, 1877, 1880 and 1883," and any and every other Act from time to time in force necessarily affecting the Company.

The words "These Presents" shall mean and include the Memorandum of Association of the Company and these Articles of Association and the regulations of the Company from time to time in force.

The words "Special Resolution" shall mean a Special Resolution of the Company passed in accordance with Section 51 of the Companies Act, 1862.

The word "Capital" shall mean the capital from time to time of the Company.

The word "Members" shall mean the duly registered Members from time to time of the Company.

The word "Directors" shall mean the Directors from time to time of the Company, or, as the case may be, the Directors assembled at a Board.

The word "Board" shall mean a Meeting of the Directors, duly called and constituted, or, as the case may be, the Directors assembled at a Board.

The word "Officers" shall mean officers of the Company.

The words "Ordinary Meeting" shall mean an Ordinary Meeting of the Members of the Company, duly called and constituted, and any adjourned holding thereof.

The words "Extraordinary Meeting" shall mean an extraordinary Meeting of the Members of the Company, duly called and constituted, and any adjourned holding thereof.

The words "General Meeting" shall mean an Ordinary Meeting or an Extraordinary Meeting of the Members of the Company, and any adjourned holding thereof.

The word "Office" shall mean the registered office from time to time of the Company.

The word "Seal" shall mean the common seal, from time to time of the Company.

The word "Month" shall mean a calendar month.

Words importing the singular number only shall include the plural number, and *vice versa*.

Words importing the masculine gender only shall include the feminine gender.

BUSINESS.

3. The business of the Company shall include the several objects expressed in the Memorandum of Association, and all matters incidental or conducive thereto, and all matters, acts and things which from time to time appear to the Directors to be expedient for obtaining those objects, and shall be commenced as soon as the Directors deem fit, notwithstanding the whole of the capital may not have been subscribed.

4. The office of the Company shall be at Middlesbrough, or at such other place as the Directors may from time to time deem advisable, and there shall also be branch offices at such places within the United Kingdom as the Directors may from time to time appoint.

CAPITAL AND SHARES.

5. The nominal share Capital of the Company is £420,000, divided into forty-two thousand ordinary shares of £10 apiece.

6. The shares shall be under the control of the Directors, who may (subject to the provisions of the intended agreement referred to

in the Memorandum of Association, and to the provisions hereinafter contained) allot or otherwise dispose of the same, either by way of bonus, at a discount, at a premium, or at par, and generally on such terms and conditions to such persons and at such times as they may think fit.

7. The Company may from time to time, whether all the shares for the time being authorized shall have been issued or not, by Special Resolution modify the conditions of its Memorandum of Association so as to increase its capital by the issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts, issued either with or without any such guarantee, or right of preference over, or equality with any existing shares or stock for the time being, whether in respect of dividend or repayment of capital, or both, or with or without any such other special rights, privileges, priorities or advantages, or subject by any such provisions or conditions, and generally on such terms as the Company by such Special Resolution may direct.

8. All new shares shall (subject to any direction to the contrary that may be given by the Resolution that sanctions the increase of capital) be offered to the Members holding the existing shares or stock of the Company, in proportion to the existing shares or stock held by them. Every such offer shall be made by notice specifying the number of shares to which the Member is entitled, and limiting the time within which the offer if not accepted will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the Member to whom such notice shall have been given, that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they may think most beneficial to the Company; provided that if owing to the inequality in the number of new shares to be issued, and the number of shares or amount of stock held by the Members willing to accept the same respectively, any difficulty shall arise in the apportionment of such new shares among the Members, or any of them, the same shall be determined and settled as the Directors shall think fit.

9. Any capital so created shall, except so far as is otherwise directed by any such Special Resolution, be subject to these presents in the same manner as if it had been part of the original capital.

10. The holder or joint holders (as the case may be) of shares or stock shall without payment be entitled to one certificate under the seal, specifying the shares or stock held by him or them, and (in the case of shares) the amount paid up thereon, or the Directors may in their discretion issue to such holder or joint holders a separate certificate for each or any of the shares held by him or them. The delivery of such certificate or certificates to any one of the persons whose names stand on the register of Members as such joint holders as aforesaid, shall be sufficient delivery to all such joint holders thereof. If any such certificate be worn out or lost it may be renewed on payment of 2s. 6d. for each certificate.

11. No person shall be entitled to receive any dividend, or to vote or exercise any other rights or privileges of a Member until he shall have been registered in the Register of Members, and shall have paid all calls and other moneys due for the time being on every share held by him.

12. The Company shall not be bound to see to the execution of, or to recognise any trusts, whether express, implied, or constructive, to which any shares in the said capital may be subject, and the receipt of the person, or of the first of several persons in whose name or names any such shares shall stand in the Register of Members, shall from time to time be a sufficient discharge to the Company for any dividend or other sum of money payable in respect of such shares, notwithstanding any trusts to which such shares may then be subject, and whether or not the Company have had notice of such trusts; and the Company shall not be bound to see to the application of the money paid upon such receipt.

13. The Company may decline to register any transfer of shares or stock made by a Member who is indebted to them; and for all debts, liabilities, and engagements due to and subsisting with the Company, by or on the part of any Member, on any account

whatsoever, the Company shall in all cases have a paramount lien on the shares or stock of every such Member, unless such shares or stock are held jointly with any other person or persons, whether the debts, liabilities, or engagements, are those of such Member solely or jointly with any other person or persons, and either as principal or surety, or otherwise with the Company; and in case after one month's notice such debts, liabilities, or engagements shall remain undischarged, it shall be lawful for, but not incumbent upon, the Directors, to sell such shares or stock, and to transfer the same to any purchaser, and to apply the clear proceeds of such sale, after payment of any expenses, in or towards satisfaction of such debts, liabilities, or engagements, and the residue (if any) shall be paid to such Member or his assignee.

TRANSFER AND TRANSMISSION OF SHARES.

14. No Member shall hold less than one share, and no certificate shall be made out to any Member in respect of less than one share.

15. Every person whose name is entered on the Register of Members as the holder of any shares or stock, shall be entitled to sell and transfer such shares or stock to any person who may be approved of by the Directors, such person not being an infant, lunatic, married woman (not entitled to her separate use), or under any legal disability.

16. No transfer of any share shall be effected except by an instrument in writing. The instrument by which any shares shall be transferred shall be executed both by the transferor and the transferee, and the transferor shall be deemed to remain a holder of such share until the name of the transferee shall have been entered upon the Register of Members in respect thereof. Every instrument purporting to effect a transfer of any shares shall, upon its execution, be deposited at the chief office of the Company, and a fee, not exceeding 5s. for each transfer, may be charged and dealt with in such a manner as the Directors may, from time to time, determine.

17. The instrument of transfer shall be in the following form, or to the like effect:

"I, A. B., of &c., in consideration of the sum of
 " pounds, paid to me by C. D.,
 " of do hereby transfer to
 " the said C. D. shares
 " £ paid thereon, standing in my name in the books of
 " THE OWNERS OF THE MIDDLESBROUGH ESTATE, LIMITED, to
 " hold unto the said C.D., his executors, administrators and
 " assigns, subject to the several conditions on which I held the
 " same at the time of the execution hereof; and I the said
 " C. D., do hereby agree to take the said shares subject to the
 " same conditions.

As witness our hands the day of ."

18. A memorial of every deed of transfer, duly executed in the form hereinbefore proscribed, shall be entered in a book to be called the "Register of Transfers."

19. No transfer of any shares shall be made until all calls and other moneys (if any) due, for the time being, to the Company in respect of every share held by the proposed transferor shall have been paid.

20. The executors or administrators of any deceased Member shall be the only persons recognized by the Company as having any title to or interest in his shares, except in the case of shares held on a joint account, in which case the survivors only shall be recognized by the Company as the persons entitled to such shares.

21. In case any Member shall die, or be found lunatic, or being a woman (not entitled to her separate use) shall marry, or in case any infant shall become entitled to, or interested in any share, the executors or administrators, committee, husband or guardian of such deceased person, lunatic, or female Member, or of such infant, shall not as such be entitled to be registered as a Member, but shall be

entitled in the manner and upon the terms hereinafter mentioned, either to become a Member, or to nominate some other person, to be approved by the Directors, to be a Member in respect of the shares to which he shall have become entitled in such capacity as aforesaid.

22. The father of an infant entitled to, or interested in any shares (and if there shall be no father then the mother) shall, in default of any legally-appointed guardian, be considered the guardian of such infant.

23. In case any Member shall become bankrupt or insolvent, his assignee or trustee shall not be or be entitled to become a Member as such assignee or trustee, but shall, subject as herein appears, be entitled to nominate some person to be a Member in respect of the shares of such bankrupt or insolvent.

24. Within three months after the death, lunacy, bankruptcy or insolvency of any Member, or the appointment of a guardian to any infant entitled to any shares, or after the marriage of any female Member (not entitled to her separate use) the executors, administrators, committee, assignee, guardian or husband of such respective persons, shall send notice thereof in writing to the chief office of the Company, and furnish such evidence of the title under which he claims as the Directors shall reasonably require.

25. In case such evidence shall be satisfactory to the Directors, but not otherwise, the Directors shall send a notice in writing to the person claiming as aforesaid, and subject as hereinafter appears, require such person, except in case of the assignee or trustee of a bankrupt or insolvent Member, within one month from the date of such notice, either to declare his election to become a Member, or by writing under his hand, to nominate some person as the holder of the shares to which he may be entitled, and in the case of any such assignee or trustee, within the like period to nominate some person to be the holder of such shares.

26. On receipt of such election or nomination, the Directors shall, subject as herein appears, forthwith cause to be transferred

into the name of such executor, administrator, committee, guardian, or husband, or of his nominee, as the case may be, the shares to which he shall have become so entitled or nominated as aforesaid.

27. In case any such executor, administrator, committee, guardian, or husband, shall neglect to give the necessary evidence, or to make the election or nomination required within the period hereinbefore prescribed, after fourteen days' notice in writing, by the Secretary requiring him so to do, then and from thenceforth, so long as any such default shall continue, he or they shall become liable to forfeit all title to the dividends and profits arising on every share in respect of which such notice, evidence, election, or nomination, as the case may be, ought to have been given, furnished, or made respectively, and in case of such default the Directors shall have power to declare that such dividends and profits shall be forfeited to and for the Company.

28. In case any person claiming in a representative character, shall for the space of six months after the event upon which his title depends, and after three calendar months' notice requiring him to do so, neglect, or be unable to leave such evidence of his title as shall be required by the Directors, or if from any cause whatever such evidence shall not be left within the time last aforesaid, then and in every such case the shares of or in the Company which might have been claimed by any such person making such default may be forfeited by the Directors to and for the Company.

29. The Register of Transfers may be closed during such time as the Directors think fit, not exceeding in the whole thirty days in each year.

30. The Directors shall have an absolute discretion as to accepting, rejecting, or refusing any transfer of shares not fully paid-up, or the nomination or registration of any person as a Member in respect of shares not fully paid-up, under any of the provisions hereinbefore contained, and they shall not be bound to give any reason for rejecting or refusing any such transfer, nomination, or registration.

CALLS.

31. The Directors may from time to time, but subject to the terms upon which any shares may have been issued, and to the conditions hereinafter mentioned, make such calls upon the Members in respect of all moneys unpaid on their shares as they may think fit, provided that twenty-one days' notice at least be given of each call, and that no call be made payable within an interval of less than two months after the day appointed for payment of the previous call, and each Member shall pay the amount of calls so made upon him to the persons and at the times and places appointed by the Directors.

32. A call shall be deemed to have been made at the time when the Resolution of the Directors authorizing such call was passed.

33. If on the day appointed any Member shall not have paid the amount of any call to which he is liable, he shall pay interest for the same at the rate of 6 per cent. per annum from the day appointed for the payment thereof, until the time of the actual payment.

34. The Directors may, if they think fit, receive from any of the Members willing to advance the same, all or any part of the moneys due upon their respective shares beyond the sums actually called for; and upon the moneys so paid in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares, in respect of which such advance has been made, the Directors may pay interest at such rate as the Members paying such sum in advance, and the Directors may agree upon, but the amount for the time being in advance shall not be included or taken into account in ascertaining the amount of the dividend or bonus payable upon the shares in respect of which such advance has been made.

35. In ascertaining at any time the sum available for dividend there shall first be provided and set apart a sum sufficient to satisfy

the interest for the time being owing upon moneys paid in advance of calls.

36. The Directors may from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend the time as to all or any of the Members whom, from residence abroad or other cause they shall deem entitled to the extension; but no Member shall be entitled to any such extension except as a matter of favour.

37. If at any time appointed for the payment of any call any Member fail to pay the amount of such call, it shall be lawful for the Directors to sue such Member for the amount thereof, in any Court of Law, or equity having competent jurisdiction, and in any such suit the production of the Register of Members shall be *prima facie* evidence of such defendant being a Member, and of the number and amount of his shares.

CONVERSION OF SHARES INTO STOCK.

38. The Company may, from time to time, in General Meeting, modify the conditions of its Memorandum of Association, so as to convert all or any of its paid-up shares into stock.

39. When any shares have been converted into stock, the several owners of such stock may thenceforth transfer their interests therein, or any part of such interests, not being the fraction of £1, in the same manner, and subject to the same regulations as, and subject to which any shares in the capital of the Company may be transferred, or as near thereto as circumstances will admit.

40. The several holders of stock shall be entitled to participate in the dividends and profits of the Company, according to the amount of their respective interests in such stock, and such interests shall, in proportion of the amount thereof, confer on the holders thereof respectively, the same privileges and advantages for the purpose of voting at Meetings of the Company, and for other purposes as

would have been conferred by shares of equal amount in the capital of the Company, but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company, shall be conferred by any such aliquot part of consolidated stock as would not, if existing in shares, have conferred such privileges or advantages.

FORFEITURE OF SHARES.

41. If any Member fail to pay any call on the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call remains unpaid, serve a notice on him, requiring him to pay such call, together with interest, and the expenses (if any) that may have accrued by reason of such non-payment.

42. The notice shall name a further time, being an interval of at least one month, and a place or places, on and at which such call is to be paid. It shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made shall be liable to be forfeited.

43. If the requisitions of any such notice as aforesaid be not complied with, any share in respect of which such notice shall have been given, may at any time thereafter, before payment of all calls, interest, and expenses due in respect thereof shall have been made, be forfeited by a Resolution of the Directors to that effect.

44. Any shares so forfeited shall be deemed to be the property of the Company, and may be cancelled, sold, re-allotted, or otherwise disposed of, in such manner as the Company in General Meeting think fit.

45. Any Member whose shares shall have been forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing upon such shares at the time of the forfeiture.

46. A certificate in writing under the hands of two of the Directors that any shares have been forfeited, and stating the time of such forfeiture, shall be conclusive evidence of the fact so certified.

DEBENTURE CAPITAL.

47. The sum of £210,000 debenture stock referred to in the proposed agreement mentioned in the Memorandum of Association, shall be created by the Directors and duly secured, when, and so soon as the said agreement shall have been entered into, and such debenture stock may, subject as hereinafter appears, be from time to time offered by the Directors for public subscription, or otherwise applied or disposed of as the Directors shall think fit. Provided always, and it is hereby declared, notwithstanding anything hereinbefore contained, that the amount of the sum of £210,000 debenture stock for the time being issued shall at no time exceed one-half of the total amount credited as paid-up on the ordinary shares of the Company.

48. The Directors may set aside out of any moneys, funds, or property of the Company, as and when they shall think fit, a fund for the redemption in accordance with the terms of issue of the said sum of £210,000 debenture stock, or so much thereof as shall for the time being be outstanding.

49. After any part of the said debenture stock shall have been redeemed in manner above mentioned, it shall be lawful for the Directors with the sanction of a special Resolution of the Company previously given to re-issue the same or any part thereof, and any debenture stock so re-issued shall be subject to all the provisions hereinbefore contained with respect to the debenture stock originally issued.

50. No reduction or return of any part of the share capital of the Company shall be carried out which shall reduce the amount of the ordinary paid-up share capital of the Company to less than double the total amount of the debenture stock which for the time being may remain outstanding.

PROPERTY OF COMPANY TO BE VESTED IN TRUSTEES

51. The freehold and leasehold properties of and belonging to the Company, or any part or parts thereof, and any of its chattels and effects, credits, sums of money, mortgage and book debts, policies of assurance, ship and other shares and securities, may from time to time be vested in trustees for or on behalf of the Company, and shall be held and disposed of by them, subject to the equities affecting the same as the Directors shall from time to time direct. The trustees shall, if and when required, execute a declaration of trust in favour of the Company, its successors and assigns. The Company shall hold the trustees harmless and indemnified from the rents, covenants, and obligations of the several leases, and from all premiums, calls and payments in respect of the several assurances, shares and securities, and from all loss, costs, damages, and expenses incurred by the trustees arising from their executing the office of trustees; and the trustees may reimburse themselves, and each other from any trust funds coming to their hands, all costs, damages, and expenses incurred in and about the execution of the trusts reposed in them.

52. The office of trustee shall become vacant by death, resignation, going to reside abroad, becoming of unsound mind, bankrupt, or insolvent, or committing any act of bankruptcy, or making a composition with his creditors.

53. The Directors shall have power to fill up vacancies in the office of trustee, and to appoint a new trustee or trustees in the place of any trustee or trustees dying, resigning, going to reside abroad, becoming of unsound mind, bankrupt, or insolvent, or committing any act of bankruptcy or making a composition with creditors. On any new appointment, the number of trustees may be increased.

54. The trustees shall only be responsible for their own individual acts and defaults, and not for the acts or defaults of each other, and as to all persons paying money to the trustees, or to or with whom the trustees shall, with or without consideration, release or enter into any arrangement or dealing as to any purchase, sale, exchange, mortgage, conveyance, or lease, or other transaction or

security, every such payment, release, arrangement or dealing shall be valid, effectual and binding on the Company, and no such person shall be concerned to inquire whether such payment, release, arrangement or dealing was in accordance with the direction of the Directors or of the Company, or otherwise into the validity thereof; nor shall any such person be concerned to inquire into the validity of the appointment of any trustee or trustees.

GENERAL MEETINGS.

55. Ordinary Meetings for the despatch of business shall be held twice at least in every year. Such Ordinary Meetings shall be held in the months of January or February, and in the months of July or August, every year, at such hour and place, and on such day as the Directors shall appoint, with the exception of the first of such Ordinary Meetings, which shall be held at such time (within four calendar months after the incorporation of the Company) and at such place as the Directors shall determine.

56. The business to be transacted at an Ordinary Meeting shall be to receive and consider the accounts to be presented by the Directors as hereinafter mentioned, and to pass a Resolution or Resolutions confirming or otherwise dealing with such accounts, and to confirm or otherwise dispose of any appointments or other acts of the Directors which may require confirmation, and to fill up any office which may be vacant or become vacant at any such Meeting and may require to be filled up, and to vote the remuneration of the Directors, and generally to inquire into and discuss the state and prospects of the Company, and to determine the rate of dividend or dividends and bonus; but no business of a special or (save as aforesaid) any other description shall be transacted at any such Meeting, unless special notice of such business shall have been given in the circular letter convening such Meeting, in which case the Meeting shall, for the purpose of such business be made and be deemed to be an Extraordinary Meeting, and shall require special notice accordingly.

57. The Directors may, whenever they think fit, and they shall, upon a requisition in writing under the hands of not fewer than

three Members holding together share capital of the Company of the nominal value of £10,000 at least, convene an Extraordinary Meeting.

58. Any requisition so made by Members shall clearly and fully express the objects of the Meeting required to be called, and shall be left at the registered office of the Company.

59. Upon any such requisition being so left, the Directors shall forthwith proceed to convene an Extraordinary Meeting, to be held at such time and place as they shall think fit, not being more than 21 days after the leaving of such requisition; and if the Directors do not proceed to convene such Meeting within 21 days after the leaving of the requisition, the requisitionists or any other Members holding the required number of shares, may themselves convene the Meeting in the manner hereinafter provided for convening Meetings.

60. No business shall be entered upon by any Extraordinary Meeting, except such as shall be set forth in the notice convening the same.

61. In order to constitute a General Meeting, there shall be present, either personally or by proxy, a number of Members holding in the aggregate not less than one-fifth of the share capital of the Company for the time being subscribed for.

62. If within one hour from the time appointed for the holding of any General Meeting the required number of Members be not present, the Meeting, if convened upon the requisition of Members, shall stand dissolved, and in any other case shall stand adjourned to such place and time (being not more than one calendar month after the time appointed for the Meeting) as shall be fixed by the persons who may have attempted to make such Meeting, or the majority of them; and, if practicable, notice of such adjournment, such as the length of interval will permit, shall be delivered or sent by post to each registered Member in manner herein provided for giving notices of Meetings.

63. At any adjourned Meeting the Members present and entitled to vote, whatever their number or the amount of the shares or stock held by them, shall have power to decide upon all the matters which could have properly been disposed of at the Meeting from which the adjournment took place, in case a sufficient number of Members had been present thereat.

64. The Chairman at any General Meeting may, with the consent of 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 the business left unfinished at the Meeting from which the adjournment shall take place.

65. Ten days' notice at least shall be given to the Members of all General Meetings of the Company, by a circular letter delivered or sent, as hereinafter provided, and every such notice shall specify the place, and the day, and hour at which such Meeting is to be held.

66. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company.

67. If there be no such Chairman of Directors, or in case at any General Meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall decline to take the Chair, then such one of the other Directors (if any) present at the Meeting, as the Meeting shall choose, shall preside at such Meeting, and in case no Director shall be present, or be willing to take the Chair, then the Members present shall choose some one of their number to be Chairman of such Meeting.

68. After the Chairman, at any General Meeting, shall have declared the Meeting to be over, and shall have left the chair, no business shall, on any pretence whatever be brought forward and discussed.

69. Minutes of the proceedings at every General Meeting shall

be entered and kept in a book, and minutes so entered shall be signed in the said book by the Chairman of the Meeting.

VOTES OF MEMBERS.

70. At every General Meeting all questions for the decision of the Meeting (except and unless a poll be demanded, and except in cases where a specific majority of votes is required by any of the provisions of these presents, or of the statutes, or any of them), shall be decided on a show of hands by a simple majority of the Members actually present and entitled under the provisions herein contained to vote at the Meeting; and a declaration by the Chairman of the Meeting that any Resolution so put to the Meeting has been carried or negatived, as the case may be, and an entry to that effect in the minutes of the proceedings of the Meeting, to be kept as above provided, shall be sufficient and conclusive evidence of the fact.

71. Subject to the next following Article, every Member, whether entitled beneficially or upon any trust, and not being under any of the disabilities referred to in the next following Article, and having paid up all calls due from him (but not otherwise), shall be entitled to be present and vote at any General Meeting and at any poll demanded at any such Meeting.

72. If any Member be an infant, lunatic, or idiot, his or her guardian or committee (or any one thereof, if more than one), or if any Member be a married woman (not entitled to her separate use), her husband may, before or without registering under the provision in that behalf hereinbefore contained, but subject to the provisions of the last preceding Article as to the payment of all calls due in respect of the shares of such Member, and to the other provisions herein contained as to voting, vote at any General Meeting, either on a show of hands, or at any such poll, as aforesaid, in respect of the shares of such Member, but except as aforesaid, no party entitled to any shares in any representative capacity only, or otherwise not

registered in respect thereof, shall on any account be entitled to vote in respect thereof.

73. If two or more persons are jointly entitled to any share or shares, one only of such persons shall be entitled to vote in respect of such share or shares, and if more than one of such persons shall be for the time being, either personally or by proxy, present at any Meeting of the Company, the one of them so present whose name shall have priority on the Register, shall be alone entitled to vote in respect of such share or shares.

74. If a poll be demanded by two persons present at any Meeting, and in all cases where a specific majority of votes is required as aforesaid, the votes of the Members or other persons entitled to vote according to the three last preceding Articles hereof, shall be taken by a scrutineer at such Meeting, and the scrutiny shall be taken by the Secretary of the Company, under the superintendence of one or more persons, to be elected scrutineers by the Meeting, from among the voters personally present, one at least of such scrutineers not to be a Director, or, in the absence of the Secretary, the poll shall be taken by the scrutineers alone. No poll shall be demanded on the appointment of a Chairman or on a question of adjournment.

75. On any scrutiny every Member shall have one vote for every share held by him.

76. At every General Meeting (except on a show of hands) votes may be given by persons entitled to vote under the provisions herein contained, either in person or by proxy duly appointed in writing, under the hand of the appointer, or if such appointer be a Corporation, under their common seal, and such proxy shall be in the following form, or as near thereto as circumstances will permit:—

THE OWNERS OF THE MIDDLESBROUGH ESTATE (LIMITED).

“I, the undersigned, being registered as the holder of
“ shares in this Company, or

"being one of the guardians (or Committee) duly appointed
 "of C. D. the registered holder of
 "share in this Company, and now an infant aged
 " (or a lunatic) hereby appoint
 " of
 " a Member in the same
 "Company, as my proxy, to vote for me and in my name at the
 "Ordinary (or Extraordinary) Meeting of the Company, to be
 "held on the day of
 "and at any adjournment thereof, and at any poll or scrutiny
 "which may be demanded at such Meeting or adjournment.
 "As witness my hand, the day of .

77. No person shall be appointed a proxy, or be entitled to vote as such proxy, who shall not be himself a Member for the time being entitled to vote under the provisions of these presents.

78. When any Member shall desire to vote by proxy, the instrument appointing such proxy shall be left at the Registered Office of the Company not less than 48 hours before the time appointed for holding the Meeting, at which such proxy is to be used, and no instrument appointing a proxy shall be valid unless so left as aforesaid, nor shall any such instrument be valid after the expiration of 12 months from the date of its execution.

79. In case on any question or Resolution to be decided by vote at any Meeting of the Company, or adjournment thereof, the votes, including the Chairman's proper vote or votes, shall be equally divided, the question shall be decided by an additional or casting vote of the Chairman of the Meeting at which the votes shall be taken.

DIRECTORS.

80. The number of Directors shall not be more than six, nor less than three.

81. The said Sir Joseph Whitwell Pease, Arthur Pease, Alfred Edward Pease and Henry Fell Pease shall be the first and present

Directors, and they and the survivors and survivor of them being respectively qualified as hereinafter mentioned to be Directors or a Director, shall continue to be Directors or a Director until they respectively shall die, be disqualified, retire, or be removed.

82. Whenever any one of the first Directors shall die, be disqualified, or retire, the continuing Directors shall convene an extraordinary Meeting for the purpose of appointing a Director in his place.

83. The Company, in General Meeting may at any time appoint an additional Director or Directors, so that the total number of Directors shall not at any time exceed six.

84. Every Director so to be appointed by a General Meeting shall remain in office until the sixth Ordinary General Meeting, which shall happen after his appointment, at which Meeting he shall retire.

85. Every retiring Director shall be eligible for re-election.

86. The Company may at the General Meeting at which any Director or Directors shall retire in manner aforesaid, fill up the vacated office or offices by the election of a Member or Members duly qualified, but the retiring Director or Directors shall remain in office until the dissolution of the Meeting.

87. Any casual vacancy occurring in the Board, unless such vacancy shall occur by the death, disqualification or retirement of one of the first Directors, may be filled up by the Board by the election of a Member duly qualified, but such person shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

88. No person shall be hereafter capable of being elected, or after such election of serving as a Director of the Company, unless at the time of his election, and thenceforth during his tenure of

office, he shall hold and be entitled to vote in respect of at least 100 ordinary shares, or a corresponding amount of stock.

89. No person, except a candidate proposed by the Directors, shall be eligible for election as a Director by General Meeting, unless his intention to offer himself as a candidate for the office, or the intention of some Member to propose him for election, shall have been signified in writing, and left at the Registered Office of the Company, seven days at least previously to the holding of the General Meeting at which the election is to take place.

90. The office of Director shall be vacated, *ipso facto*, in any of the cases hereinafter specified, that is to say :—

(1) If he shall suspend payment or make any composition with his creditors, or shall become bankrupt, or insolvent, or commit any act of bankruptcy, within the meaning of any Act or Acts for the time being in force, respecting bankrupt or insolvent debtors, or for facilitating arrangements between debtors and creditors,

(2) If he shall go to reside abroad, or shall absent himself from the Meetings of the Board for six months without leave from the Board.

(3) If he shall cease to hold the required amount of shares or stock to qualify him for his office.

(4) If he shall die or be found lunatic, or become of unsound mind.

(5) If he shall send in his resignation in writing to the Directors.

91. The appointment of the persons hereinbefore nominated as the first Directors of the Company shall not in any way debar them or any of them from entering into the proposed agreement with the Company referred to in the Memorandum of Association, either in its present or in any modified form, or from voting in respect thereof, or affixing the seal of the Company thereto. And they shall not,

by reason of their fiduciary relationship towards the Company, be accountable for any profit made by them in respect of such agreement. Nor, subject to the following proviso, shall any Director of the Company be accountable for profit in respect of any other contract made with the Company, in the profits of which he participates, or in which he is otherwise interested, provided that the fact of his being so interested, and the nature of his interest be fully and fairly disclosed by him at the Meeting of Directors at which the contract is determined on, if his interest then exists, or in any other case at the first Meeting of the Directors after the acquisition of his interest. Save with respect to the proposed agreement referred to in the Memorandum of Association, or any modification thereof, no Director shall vote in respect of any contract or matter in which he is individually interested otherwise than as a Member.

92. The Company in General Meeting may, by a Special Resolution, remove any Director before the expiration of his period of office, and may by an Ordinary Resolution, appoint another person in his stead.

93. The Board of Directors may at any time, and thereafter from time to time appoint one or more of their number to be a Managing Director, or Managing Directors, and may fix the remuneration to be paid to him or them, and the period or periods for which he or they shall be appointed. The said Sir Joseph Whitwell Pease shall act as first Managing Director.

94. In other respects, the provisions hereinbefore contained for the qualification, disqualification, retirement, and removal of Directors shall apply to any Managing Director or Directors.

95. The remuneration of the Directors other than the Managing Director or Directors, shall be fixed from time to time by the Company in General Meeting. All the actual travelling and other expenses of the Directors incurred by them when engaged on the business of the Company shall be borne and paid by the Company.

POWERS AND PROCEEDINGS OF THE DIRECTORS.

96. The business of the Company shall be managed by the Directors, who may carry on the same in accordance with these presents, and with the Memorandum of Association, in such manner as in their judgment and discretion they may think most expedient, and may exercise for this purpose all such powers, and do all such acts and things as are not by the Statutes, or these Articles, directed or required to be exercised by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board, or of a Director, which would have been valid if such regulations had not been made.

97. The continuing Directors may act, notwithstanding any vacancy in the body of Directors so long as their number is not less than three.

98. The Directors shall meet together for the despatch of business at such times and at such places as they from time to time think fit, and may make such regulations as they think proper for the summoning and holding of their Meetings, and for the transaction of business thereat; and they may from time to time determine the quorum necessary for the transaction of business thereat. Until otherwise determined, two Directors shall form a quorum.

99. The Board shall elect the Chairman of their Meetings and determine the period for which he is to hold office; but if no such Chairman be elected, or if at any Meeting of the Board the Chairman is not present within fifteen minutes of the time appointed for holding the Meeting, the Directors present shall choose some one of their number to be Chairman of such Meeting. Questions arising at any Meeting of the Board, or of a Committee of the Directors shall be decided by the majority of votes of the Directors present personally. In case of an equality of votes the presiding Chairman shall have a second or casting vote.

100. The Chairman alone, or any two Directors, or the

Managing Director or Managing Directors, may at any time summon a Special Meeting of the Board by giving seven days' notice of such Meeting.

101. The Directors may delegate any of their powers, other than the power to make calls, to Committees consisting of such Members of their body as they think fit. Any Committee so formed, shall, in the exercise of the powers so delegated, conform to any regulations which may be imposed on them by the Directors. The Chairman shall be an *ex officio* Member of all Committees. A Committee may meet and adjourn as they think proper.

102. The Directors may, by Resolution duly passed, authorize and empower the Managing Director, or the Managing Directors jointly, to exercise all or any of the powers of the Directors (except the power to make calls), and may at any time revoke such authority, without prejudice, however, to any act done by the Managing Director or Directors, in pursuance of such authority before its revocation. The Managing Director or Directors shall, in addition, have and may exercise all such powers in relation to the business of the Company as are usually possessed, and exercised by Managing Directors. In case the Managing Directors shall differ in opinion upon any question, such question shall be submitted to, and decided by the Directors at a special Board Meeting to be summoned, and which the Managing Directors are hereby required to summon for the purpose.

103. All acts done by any Meeting of the Directors, or of a Committee of Directors, or by any person acting as a Managing or ordinary Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors' Committee, or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

104. The Directors shall cause minutes to be made in books provided for the purpose of the following matters, namely:

Of all appointments of officers and Committees made by the Directors, of the names of the Directors present at every Meeting of Directors; and of the Members of Committees appointed by the Board, present at every Meeting of the Committees; of the proceedings of all General Meetings, and of all the Meetings of the Directors and of Committees appointed by the Board.

105. The minutes of the proceedings of any such Meeting, if signed by the person purporting to be the Chairman of such Meeting, shall be sufficient evidence of the proceedings at such Meeting, without further proof of the facts stated in such minutes.

106. Every deed and other instrument to which the common seal is required to be affixed shall be signed by one Director and countersigned by the Secretary, and an entry shall be made in a book to be kept for the purpose, and signed by such Director, of every deed or instrument to which the seal shall be so affixed, Provided always that every certificate of shares, stock, and every certificate of debenture stock, shall be signed by the Directors.

107. Without prejudice to the generality of the provisions hereinbefore contained, the Directors may, without any further power or authority from the Members, immediately on the incorporation of the Company, and notwithstanding that the nominal capital may not have been fully subscribed for, do the following things in the name and on behalf of the Company :—

(1.) They may out of the capital of the Company or any other moneys in their hands, pay all legal or other expenses incurred, or to be incurred, in, about, or attending, or in any wise incidental to, or connected with the purchase or acquisition of the properties to be acquired for the purposes of the Company, under the proposed agreement referred to in the Memorandum of Association, or the formation and registration of the Company, and carrying any of its objects into effect, and may adopt all acts and preliminary arrangements done and made in reference to the same respectively.

(2.) They may pay for any property purchased on behalf of the Company, either in cash or shares (to be treated as either wholly or partly paid up), or partly in cash and partly in shares, or in such manner as they may deem expedient.

(3.) They may appoint such General Manager and Secretary, land agents, engineers, architects, surveyors, officers, clerks and servants either for permanent, temporary or special services, as they may from time to time deem expedient for carrying on the business of the Company, and may define the powers and duties of such General Manager and Secretary, land agents, engineers, architects, surveyors, officers, clerks and servants, and fix their salaries and emoluments, and require security in such instances, and to such amount as they think fit to be given for the discharge of the duties of any officer, clerk, or servant; and also may remove or suspend any General Manager and Secretary, land agent, engineer, architect, surveyor, or any other officer, clerk, or servant, for such reasons as the Directors may deem sufficient.

(4) They may (subject to the stipulations and restrictions herein contained) borrow in the name or otherwise, on behalf of the Company, and either from the Directors, Members, or other persons, such sums of money as they from time to time deem expedient, either by way of mortgage of any of the property of the Company, or by deposit of deeds, or by equitable mortgage of any such property, or by bonds or debentures, or in such other manner as they deem best, provided nevertheless, that the aggregate of principal money borrowed shall not at any time exceed £70,000 over and above the sum of £210,000 debenture stock hereinbefore mentioned Provided always that the Directors shall not borrow at any one time a sum exceeding £25,000, without the sanction of a General Meeting.

(5) They may (but subject as aforesaid), for the purpose of securing the repayment of any money so borrowed with interest, make and carry into effect any arrangement which they may deem expedient, by conveying any property of the Company to

trustees or otherwise, upon such trusts and with such powers as they may think fit.

(6) They may invest such part of the moneys of the Company as shall not be required to satisfy or provide for immediate demands for the time being in or upon such stocks, funds, or securities (other than shares of the Company), as they deem expedient, and may from time to time vary such securities and convert the same as occasion requires, or as they deem expedient.

(7) They may institute, conduct, defend, compromise, compound, refer to arbitration, and abandon legal and other proceedings and claims by and against the Company, and the Directors and officers of the Company and otherwise concerning the affairs of the Company.

(8) They may in the ordinary course of business, of and for the Company, make, accept, draw, or indorse any promissory note, bill of exchange, banker's draft, bill of lading, or other such like instrument, on behalf of the Company, or adopt any act in that behalf in the ordinary course of the business of the Company, or in pursuance of a Resolution of the Board authorizing the act in question.

(9) They may determine on the device to be used for the seal of the Company, and cause the same to be executed, and make regulations for its custody.

(10) They may affix the seal to, and subscribe and otherwise execute and complete, or cause to be executed and completed, agreements, conveyances, grants, mortgages, bonds, debentures, deeds of exchange, leases, and all other deeds and assurances.

(11) They may give time to any debtor of the Company.

108. The Directors shall not invest any of the funds of the Company in the purchase of any shares or stock of the Company. They may, however, in their discretion accept a surrender of any shares from any Member by way of payment or compromise in whole

or in part of any debt or liability of such Member to the Company. Any shares so surrendered may be sold or re-issued in the same manner as forfeited shares.

109. The Directors shall not, without the previous sanction of a General Meeting, accept payment for any property of the Company, which may be sold or disposed of by them, in the shape of shares, stock, or debentures of any company or association.

110. Every receipt signed by one of the Directors, and countersigned by the Secretary, shall be an effectual discharge for the moneys therein expressed to be received, and shall exonerate every person, company or corporation paying the same from seeing to the application thereof, or being answerable for the loss, misapplication, or non-application thereof.

111. Every Director, Auditor, Secretary, and other officer, and his heirs, executors, administrators, and assigns, shall be indemnified by the Company from all losses and expenses incurred by them respectively, in or about the discharge of their respective duties, except such as happen from their own respective wilful acts or defaults.

112. No Director or officer, his heirs, executors and administrators, or assigns, shall be liable for any other Director, or officer, or for joining in any receipt, or other act for conformity, or for any loss or expense happening to the Company by the insufficiency or deficiency of title to any property acquired by order of the Board, for or on behalf of the Company, or for the insufficiency or deficiency of any security, in or upon which any of the moneys of the Company shall be invested, nor for any other loss, damage, or misfortune, whatsoever, which shall happen in the execution of the duties of his respective office, or in relation thereto, unless the same happens through his own wilful act, neglect, or default.

DIVIDENDS.

113. The Directors may, with the sanction of the Company in General Meeting, declare a dividend, or a dividend and bonus, on the ordinary stock or shares to be paid to the Members in proportion to the amount paid or credited upon their stock or shares.

114. No dividend or bonus shall be declared or paid except out of the profits of the Company. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive. In the expression "profits" shall be included any money received by way of premium on shares issued at a premium by the Company. In estimating the profits on any sale of property the Directors shall, as far as possible, have regard to the cost at which the same was originally acquired by the Company as well as to any subsequent outlay thereon.

115. No unpaid dividend, bonus or interest shall bear interest against the Company.

116. The Directors shall before recommending any dividend in respect of the ordinary stock, or shares, make proper allowance for such debts then owing to the Company as shall be considered bad or doubtful, for such of the contracts or undertakings into which the Company shall have entered as shall appear likely to be attended with any particular loss, and for depreciation or destruction of leases of salt mines, mines and quarries, claypits and timber ponds, and of docks, works, houses, buildings, machinery, and all plant, both fixed and moveable, and also for the exhaustion of salt, iron, ironstone and other minerals held by the Company.

117. The Directors may of their own authority from time to time pay to the Members on account of the next forthcoming dividend such interim dividends as in their judgment the position of the Company justifies.

118. The Directors may, before recommending any dividend, set aside out of the profits or receipts of the Company such sum as they may think proper, to form a reserve fund for the purpose of meeting contingencies, or of extending, improving, enlarging, laying out for building, rebuilding, repairing or maintaining their mines, works, hotels, houses, buildings, docks, piers, and other properties, or for equalizing dividends, or for any other purposes of the Company.

119. The Directors may from time to time, with the sanction of the Company in General Meeting, withdraw any sum or sums of money from the reserve fund, and add the same to the profits of the Company, divisible among the Members in any half-year for the purpose of increasing the dividend of that half-year, or of paying a bonus in addition to the ordinary dividend.

120. The Company may deduct from any interest, dividend, or bonus payable to any Member, all sums of money due from him to the Company on account of calls or otherwise.

121. Notice of every sum payable by way of dividend or bonus shall be given to every Member entitled thereto.

122. Every dividend shall belong and be paid, subject to the Company's lien, to those Members who shall be on the Register at the date fixed for payment of such dividend, notwithstanding any subsequent transfer or transmission of shares.

ACCOUNTS.

123. The Directors shall cause the banking accounts of the Company to be kept in the name of the Company.

124. The Directors shall cause true accounts to be kept of all the receipts, credits, payments, assets and liabilities of the Company, and of all other matters necessary for shewing the true state and

condition, and the true amount of the net profits (if any) of the Company, and the accounts shall be kept in such books and in such manner as the Directors think fit, and to the satisfaction of the Auditors.

125. The Directors shall lay before the Company at each Ordinary General Meeting, a profit and loss account, made up to a date not more than three months before the Meeting, from the foot of the last account, or in the case of the first profit and loss account from the commencement of the Company, and every such profit and loss account shall be accompanied with a report of the Directors as to the state and condition of the Company.

126. A general balance-sheet shall be made out for every half-year, and laid before the Company at each Ordinary General Meeting, and shall contain a summary of the assets and estimated liabilities of the Company made up to a like date, and arranged under convenient heads.

127. The books of account shall be kept at such place or places as the Directors shall appoint, and, together with the balance-sheets and profit and loss accounts, shall be open to the inspection of any of the Members holding in the aggregate shares or stock to the amount of £5,000 in nominal value for seven days previous to each Ordinary Meeting, and for one month thereafter, but the Members shall not be entitled at any other time to demand the inspection of such books, unless by virtue of a written order, signed by two Directors.

AUDIT.

128. The accounts of the Company shall be examined half-yearly, and the correctness of the profit and loss account and balance-sheet ascertained by one or more Auditor or Auditors to be elected by the Company at the first Ordinary Meeting in each year. The first Auditor or Auditors shall be appointed at the first Ordinary Meeting of the Company.

129. If one Auditor only be appointed, all the provisions herein contained relating to Auditors shall apply to him.

130. The Auditors may be Members of the Company or not, but no Director or other officer of the Company shall be eligible as an Auditor during his continuance in office.

131. The remuneration of the first Auditor shall be fixed by the Directors, that of subsequent Auditors shall be fixed by the Company in General Meeting.

132. Any retiring Auditor shall be eligible for re-election.

133. If any casual vacancy occur in the office of Auditor, the Directors shall forthwith call an Extraordinary General Meeting for the purpose of supplying the same.

134. If no election of Auditors is made in manner aforesaid, the Board of Trade may on application of not less than three Members of the Company appoint an Auditor for the current year, and fix the remuneration to be paid to him by the Company for his services.

135. Every Auditor shall have a list delivered to him of all books kept by the Company, and shall, at all reasonable times, have access to the books and accounts of the Company or transcripts from the same; he may at the expense of the Company employ accountants and other persons to assist him in investigating such accounts, and he may in relation to such accounts examine the Directors or any other officer of the Company.

136. The Auditors shall certify the correctness of the balance-sheet and profit and loss accounts, and shall make a report thereon, and such report shall be read, together with the report of the Directors, at the Ordinary Meeting.

NOTICES.

137. All notices may be served by the Company upon any

Member, either personally or by leaving the same, or sending them through the post, prepaid, in an envelope addressed to such Member at his registered address or place of abode in the United Kingdom. All notices directed to be given to the Members shall, with respect to any shares to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Members with respect to such share, and notice so given shall be sufficient notice to all holders of such share.

138. Any notice, if sent by post, shall be deemed to have been served at the time when the same would be delivered in the ordinary course of the post, and in proving such service it shall be sufficient to prove that the envelope was properly addressed and put in the post-office.

139. No Member who shall be described on the Register as residing out of the United Kingdom, or who shall have omitted to give his address for registration shall be entitled to receive any notice from the Company.

DISSOLUTION.

140. Two successive extraordinary General Meetings held within three months may, by Resolutions passed by Members representing not less than three-fourths of the share capital of the Company, resolve on the dissolution of the Company, and the time, mode, terms and conditions at, in, and on which the dissolution shall take place, and the dissolution shall thereupon take place accordingly.

141. The dissolution of the Company may be determined on for any purpose or for any reason whatever, and whether with the object of the absolute dissolution or the reconstitution or modification of the Company.

ARBITRATION.

142. If any difference, dispute, or question shall arise between the Company and any Member or any of the different classes of

Shareholders touching these Articles or any of them, or the construction thereof, or any clause or thing herein contained, or touching the mutual or relative rights, powers, or duties under these Articles of the Company, and such Members or classes of Shareholders respectively, or touching any breach or alleged breach of any of the regulations of the Company, or any claim or demand by reason of any such breach or alleged breach, or otherwise relating to the premises, or to any of the affairs of the Company, every such difference, dispute, or question shall be referred to arbitration by writing under hand or seal in conformity with the provisions of the "Railway Companies' Arbitration Act, 1850," or any then subsisting modification thereof, in the same manner as if the parties to any such arbitration were two or more railway companies within the meaning of such Act.

Names, Addresses, and Descriptions of Subscribers.	Names and Addresses of Witnesses.
<i>W. Pease</i> <i>Darlington in the County</i> <i>of Yorkshire</i> <i>Arthur Pease</i> <i>Darlington aforesaid</i> <i>Coal Owner & Mineral Owner</i> <i>Arthur Pease</i> <i>Darlington aforesaid Coal Owner</i> <i>& Mineral Owner</i> <i>Alfred E. Pease</i> <i>Rindrumthorpe</i> <i>Reidy of Yorkshire Inquire</i> <i>John A. Pease</i> <i>Darlington aforesaid Esquire</i> <i>Arthur Pease</i> <i>Darlington aforesaid Esquire</i> <i>Darlington aforesaid</i> <i>Coal Owner & Mineral Owner</i>	<i>Harry Watson</i> <i>Middlesbrough</i> <i>Solicitor</i> <i>Arthur Pease</i> <i>Darlington</i> <i>accountant</i> <i>Arthur Pease</i> <i>A. C. Cravely</i> <i>Fulham</i> <i>Secretary</i> <i>Arthur Pease</i> <i>Arthur Pease</i> <i>Arthur Pease</i>
Dated this 12 th	day of July 1886.