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THE COMPANIES ACTS, 1862 to 1900

COMPANY LIMITED BY SHARES

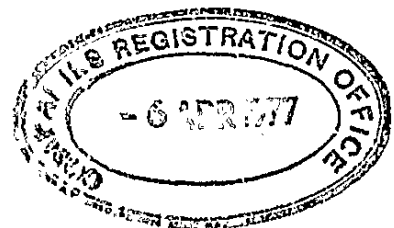
70274

MEMORANDUM AND ARTICLES
OF ASSOCIATION

OF

VOSPER THORNYCROFT (UK) LIMITED

(Incorporated 22nd May, 1901)



STEPHENSON HARWOOD & TATHAM

SADDLERS' HALL

GUTTER LANE

CHEAPSIDE

LONDON

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R.

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Date: 21. 5. 77

Director

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VOSPER THORNYCROFT (UK) LIMITED

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MEMORANDUM OF ASSOCIATION

Date.-

Director

of

VOSPER THORNYCROFT (UK) LIMITED

1. The name of the Company is "VOSPER THORNYCROFT (UK) 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 acquire and take over as a going concern the business now carried on under the style or firm of John I. Thornycroft & Co., and all or any of the assets and liabilities of the proprietors of that business in connection therewith, and with a view thereto to enter into the agreement referred to in Clause 3 of the Company's Articles of Association, and to carry the same into effect with or without modification.

(B) To carry on the business so to be acquired, and to develop and extend the same, and generally to carry on the business of shipbuilders and general engineers, ironfounders, mechanical engineers, and manufacturers of implements and machinery of all kinds and descriptions, tool makers, brassfounders, smelters, coppersmiths, metal workers, boiler makers, pattern makers, millwrights, machinists, iron and steel converters, smiths, fitters, wood workers, builders, painters, metallurgists, electrical engineers, water supply engineers, makers, suppliers and storers of gas and electric light, and farmers, printers, carriers and merchants, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery, ships, implements, rolling stock and hardware of all kinds, and to carry on any other business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above whether similar to the above or not, or otherwise calculated, directly or indirectly, to enhance the value of any of the Company's property and assets for the time being.

(C) To acquire absolutely, or for any term, or for any estate, coal and other mines, quarries, minerals and mineral properties, and work the same, and to carry on any business relating to the winning and working of minerals, the production and working of metals, and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the Company, or any contracts undertaken by the Company, and either for the purpose only of such contracts or as an independent business.

* The name of the Company was changed on 15th December 1975 pursuant to a Special Resolution passed on 23th November 1975, from John I Thornycroft Limited to Vosper Thornycroft (UK) Limited.

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- (D) To undertake and execute any contracts for works involving the supply or use of any machinery and to carry out any ancillary or other works comprised in such contracts.
 - (E) To make, build, construct, equip, provide, maintain and carry on, use and work in England, and elsewhere, roads, ways, railways, tramways, telegraph lines, telephones, electric light, heat and power works, canals, reservoirs, water works, wells, aqueducts, water courses, furnaces, gas works, piers, wharves, docks, saw and other mills, hydraulic works, factories, shops, stores, warehouses, and other works and buildings which may be deemed expedient for the purposes of the Company, and to contribute to the cost of making, building, constructing, providing, carrying on, using and working the same.
 - (F) To acquire by purchase or otherwise, for the business of the Company in England, or elsewhere, any docks, manufactories, buildings, mills, plant, engines, machinery, patents, patent rights, trade marks, licenses, secret processes, or other things, and to erect and maintain or reconstruct and adapt buildings, mills, plant, engines, machinery, and other things found necessary or convenient for the purposes of the Company.
 - (G) To construct, acquire, charter, purchase or hire ships, barges, lighters and boats, wharves and warehouses of all descriptions and to carry on the business of ship-owners and barge owners, wharfingers and warehousemen.
 - (H) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
 - (I) To enter into any arrangement for sharing profits, union of interests, or co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business, or transaction capable of being conducted so as, directly or indirectly, to benefit this Company, and to take or otherwise acquire shares, stock, or securities of any such company or any other company, and to sell, hold, re-issue with or without guarantee, or otherwise deal with the same.
 - (J) To purchase or otherwise acquire and undertake all or any part of the business, property, and liabilities of any person or company carrying on any business which this Company is authorised to enter into, undertake, or carry on, or possessed of property suitable for the purposes of this Company.

- (K) To sell the whole or any part of the undertaking, business or property of the Company, and to accept payment wholly or in part in Shares, Stock or obligations of any other Company, and either to hold or sell such Shares, Stock or obligations or any of them, or to distribute them or any of them in specie upon a division of profits or distribution of capital among the Members, and to promote, form and subscribe and hold the capital and obligations of and guarantee the payment of dividends by any Company intended to purchase any property of the Company or to use anything made or produced by the Company.
- (L) To sell, improve; manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the assets and rights of the Company.
- (M) Generally to purchase, take on lease or in exchange, hire, or otherwise acquire any real and personal property and any rights or privileges in any part of the world which the Company may think necessary or convenient for the purposes of its business.
- (N) To amalgamate with or transfer the undertaking of the Company to any other company having objects altogether or in part similar to those of this Company.
- (O) To take out or otherwise acquire by original application or otherwise any Letters Patent or patent rights or the like, and to grant licenses for the sale, use or manufacture of anything protected by Letters Patent in which the Company may be interested as owners, licensees or otherwise.
- (P) To distribute any of the properties of the Company among the Members, in specie.
- (Q) To lend money to such persons and on such terms as may seem expedient, whether to customers and others having dealings with the Company or not, and to guarantee the performance of any contracts, and to receive money on deposit or otherwise upon such terms as may be thought proper.
- (R) To draw, make, accept, endorse, discount, execute, deposit and issue promissory notes, bills of exchange, charter parties, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (S) To invest and deal with moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.

- (T) To borrow or raise or secure the payment of money in such manner and on such terms as the Company shall think fit, and in particular by the issue of Mortgage Debentures, Debentures or Debenture Stock, or other securities perpetual or otherwise, charged or not charged upon all or any of the Company's assets (both present and future), including its uncalled Capital, and either with or without participation in profits or voting powers, and to redeem or pay off any such securities, and to insure the repayment of any moneys so borrowed in such manner and on such terms as may seem expedient.
- (TT) To guarantee either by personal covenant or by mortgaging or charging all or any of the undertaking, property and assets, present and future, and uncalled capital of the Company or by both such methods, the performance of the obligations and the payment of the capital or principal (together with any premium) of, and dividends or interest on, any stocks, shares, debentures or securities of any corporation, firm or person, and in particular (but without limiting the generality of the foregoing) of any company which is for the time being the Company's holding company as defined by Section 154 of the Companies Act, 1948, or another subsidiary as defined by the said Section, of the Company's holding company, or otherwise associated with the Company in business.
- (U) To apply the money of the Company in any way in or towards the establishment, maintenance or extension of any association, institution, fund, exhibition or show intended to advance the interests of shipbuilding engineering or of trade generally, or for the benefit of any workmen or the families of any workmen, and whether or not in common with other classes of persons, and to contribute to any fund raised by local or public subscription for any purpose whatever.
- (V) To remunerate (so far as by law allowed) any person or company for services rendered in placing or assisting to place or guaranteeing the placing of any Shares, Stock, Mortgage Debentures, Debentures, Debenture Stock, or other securities of this Company, or any other company promoted wholly or in part by this Company.
- (W) To procure the Company to be incorporated, registered, constituted, or recognized in any foreign place, or in any colony or dependency, if the Company shall deem it desirable for the purposes of its business so to do.
- (X) To obtain any provisional order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution.
- (Y) To procure any servants of the Company to be insured against risk or accident in the course of their employment by the Company, and to effect insurances for the purpose of indemnifying the Company in respect of claims by reason of any such risk or accident, and to pay premiums on any such insurance.

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- (Z) To give to any servants or employees of the Company any share or interest in the profits of the Company's business, or any branch thereof, and for that purpose to enter into any arrangements the Company may think fit.
 - (AA) To do all or any of the above things in every part of the world as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents, sub-contractors, or otherwise, and either alone or in conjunction with others.
 - (BB) To pay out of the Company's funds all costs, charges and expenses of whatever kind in connection with the incorporation of the Company, the carrying out of the said agreement, and the issue of the Company shares of the original or any future capital, including, so far as by law allowed, brokerage and commission and cost of advertising and all preliminary expenses.
 - (CC) To do all such other things whether of the like or any other kind which the Company may consider to be in any way incidental to or connected with any of the above objects, or conducive to the attainment thereof, or otherwise likely in any respect to be advantageous to the Company, and in case of doubt as to what shall be so incidental, connected, conducive, or advantageous as aforesaid, the decision of an Extraordinary General Meeting of the Company shall be conclusive.

And it is hereby declared that the word "Company" in this Clause, except where used in reference to this Company, shall be deemed to include any partnership, or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and further that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be in no wise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

- * 5. The Capital of the Company has from time to time been increased and reduced and is now £2,972,415 divided into 5,400,000 Ordinary Shares of 20p each and 3,784,830 11.5 per cent. Preference Shares of 50p each such Preference Shares having attached thereto the privileges, rights, restrictions and conditions specified in the Articles of Association with reference to the same.

*The Share Capital of the Company was increased to £2,972,415 divided into 5,400,000 Ordinary Shares of 20p each and 3,784,830 11.5 per cent. Preference Shares of 50p each by a Special Resolution on 15th March 1977.

WE, the several persons whose names and addresses are hereunto 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	
	Preference	Ordinary
JOHN ISAAC THORNYCROFT, Eyot Villa, Chiswick Mall. Civil Engineer.		500
WILLIAM CECIL HENRY DOMVILLE The Chantry, Ipswich. Rear Admiral (Retired).		500
SYDNEY WALKER BARNABY, The Hollies, Chiswick Mall. Civil Engineer.		500
JOHN EDWARD THORNYCROFT, Homefield House, Chiswick. Engineer.	500	1,000
HUGH CALLAWAY, Guildcroft, Guildford, Surrey. Engineer.	500	500
THORNYCROFT DONALDSON, 2 Melbury Road, Kensington. Engineer.	1,000	1,000
WILLIAM BEARDMORE, Parkhead Forge, Glasgow. Steel Manufacturer.		2,500

DATED the 22nd day of May, 1901.

WITNESS to all the above signatures :-

WM. NEWBERT

Clerk to Messrs. Nicholson
Graham & Graham,

Solicitors,

24 Coleman Street, E.C.

Registered with Articles of Association.

THE COMPANIES ACT, 1948

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

VOSPER THORNYCROFT (UK) LIMITED
(Amended pursuant to a Special Resolution passed
at an Extraordinary General Meeting of the
Company held on 15th March 1977)

1. The Regulations in Table A in the First Schedule to the Companies Act, 1862 shall not apply to the Company but subject as hereinafter provided the Regulations contained in Part I of Table A in the First Schedule to the Companies Act, 1948 (such Part being hereinafter referred to as "Table A") shall apply to the Company to the exclusion of any other Regulations otherwise applicable to the Company.

2. The Company is a Private Company and accordingly :-

- (a) the right to transfer Shares is restricted in manner hereinafter prescribed;
- (b) the number of Members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and having continued after the determination of such employment to be Members of the Company) is limited to fifty. Provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single Member;
- (c) any invitation to the public to subscribe for any Shares or Debentures of the Company is prohibited;
- (d) the Company shall not have power to issue Share Warrants to bearer.

* 3. The Share Capital of the Company as at the date of the adoption of this Article as one of the Articles of Association of the Company is £2,972,415 divided into 5,400,000 Ordinary Shares of 20p each and 3,784,830 11.5 per cent. Preference Shares of 50p each.

- (A) The said Preference Shares shall carry the right to a fixed non-cumulative preferential dividend at the rate of 11.5 per cent per annum on the capital for the time being paid up thereon.

* As amended pursuant to a Special Resolution passed on
15th March 1977

- (B) Upon a return of capital (whether in a winding up or otherwise) the said Preference Shares shall entitle the holders to repayment of the capital paid up on such Preference Shares before any return of capital is made on the Ordinary Shares, but shall not confer any further right to participate in the profits or assets of the Company.
- (C) Regulations 2, 3 and 5 of Table A shall be omitted. Without prejudice to the rights already attached to any shares or class of shares already issued (which rights shall not be varied or abrogated except with such consent or sanction as is provided by sub-clause (D) below) any shares may be issued with such preferred, deferred or other special rights or such restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may by Extraordinary Resolution determine and subject to the provisions of the Act the Company may issue preference shares which are, or which at the option of the Company are to be, liable to be redeemed on such terms and in such manner as the Company may before the issue thereof by Special Resolution determine. Provided that the rights or privileges belonging to the holders of the said Preference Shares, or of any shares for the time being issued with a preference shall not be affected, altered, varied or dealt with except with such sanction as is provided by sub-clause (D) below, but the said Preference Shares and any shares for the time being issued with a preference shall not be deemed to be affected, altered or varied by the creation or issue of further shares ranking *pari passu* therewith, and no such sanction shall be required merely because on any increase of capital any shares are issued with the same or any different voting power from any existing class of shares.
- (D) Regulation 4 of Table A shall be omitted. All or any of the rights or privileges belonging to the holders of the said Preference Shares or of any other special class of shares or stock into which the capital of the Company may for the time being be divided may be affected, altered, varied or dealt with in any manner with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of an Extraordinary Resolution (as defined by the Act) passed at a separate General Meeting of the Members of that class. To any such General Meeting all the provisions of these presents shall *mutatis mutandis* apply, but so that the necessary quorum shall be one-tenth in number of the members of the class holding or representing by proxy one-third of the capital paid or credited as paid on the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any two holders of shares of the class present in person or by proxy shall be a quorum) and that any two holders of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him.
- (E) In the event of any reduction of capital under the statutory powers the nominal amount of the Ordinary

Shares shall be reduced in priority to any reduction of the nominal amount of the said Preference Shares, or of any Shares having a priority as regards repayment of capital in a winding up, and it shall be no objection to any such reduction or to the validity of any Resolution for the same that the Ordinary Shareholders are specially affected thereby, as between themselves and the holders of the said Preference Shares or of any Shares having such priority as aforesaid and Regulation 46 of Table A shall be read subject to this sub-clause.

(F) Regulation 120 of Table A shall be omitted. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such Resolution and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors. Provided that no such distribution shall be made unless:

- (a) it shall have been sanctioned by Resolution of the Company in General Meeting;
- (b) the fixed dividend payable on all the said Preference Shares shall have been paid in full to the end of the last completed financial year of the Company; and
- (c) the Directors are satisfied that the assets of the Company, exclusive of the sum or assets proposed to be distributed, are of a value at least equal to the aggregate amount of the Company's debts and liabilities and its paid up share capital.

* 4. Subject to the provisions of these Articles the whole of the Shares of the Company for the time being unissued shall be under the control of the Directors who may, subject to the provisions of the Act, allot or otherwise dispose of the same to such persons, at such times and on such terms and conditions as the Directors may determine, with full power to give to any person the option over any share for such time and for such consideration as the Directors think fit, but so that no share shall be issued at a discount except as permitted by the Act.

5. Regulation 24 of Table A shall not apply. The Directors may in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share.

* As amended pursuant to a Special Resolution passed on 15th March 1977

6. Two persons being Members or proxies for Members shall be a quorum at a General Meeting and Regulation 53 of Table A shall be modified accordingly.

7. In Regulation 54 of Table A the words "the members present shall be a quorum" shall be omitted and the words "the Meeting shall be dissolved" substituted therefor.

8. A poll may be demanded by the Chairman or any member present in person or by proxy and entitled to vote, and Regulation 58 of Table A shall be modified accordingly.

9. Subject to the provisions of the Act, a resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations, by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

10. Regulations 75 of Table A shall be omitted. Unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two nor more than twelve.

11. Any Director may at any time and from time to time appoint any person who is approved by a majority of the Directors to be his alternate, and may at any time remove any such alternate Director and (subject to such approval as aforesaid) appoint another in his place. An alternate Director shall not be entitled to receive any remuneration from the Company, nor shall it be necessary for him to acquire or hold any qualification, but he shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) to receive notice of meetings of the Directors and to attend and vote as a Director at any such meeting and generally to exercise all the powers, rights, duties and authorities of the Director appointing him in the absence of such Director. A Director who is also an alternate Director shall be entitled, in addition to his own vote, to a separate vote on behalf of the Director he is representing. An alternate Director may be removed from office by a resolution of the Board, and shall, ipso facto, cease to be an alternate if his appointor ceases for any reason to be a Director. Every person acting as an alternate shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. All appointments and removals made in pursuance of this Article shall be in writing under the hand of the Director making the same and shall be sent to or left at the Registered Office.

12. The proviso to Regulation 79 of Table A shall be omitted and the following proviso shall be deemed to be substituted therefor, namely :-

"Provided that so long as the Company is a subsidiary the powers hereby conferred shall not be exercised without the prior consent of a Resolution of the Board of Directors of the Company's Holding Company except that no such consent shall be required to the borrowing of any moneys by the Company from its Holding Company or from any subsidiary of its Holding Company."

13. Paragraphs (2) and (4) of Regulation 84 of Table A shall be omitted. A Director, notwithstanding his interest, may vote in respect of any contract or arrangement in which he is interested and may be counted in the quorum present at any Meeting.

14. The following paragraph shall be added at the end of Regulation 88 of Table A, namely :-

"(g) shall be required to resign his office by notice in writing lodged at the Registered Office signed by the holder or holders of not less than three-fourths of the nominal value of the issued shares of the Company."

15. Regulations 89 to 94 (inclusive) and the last sentence of Regulation 95 of Table A shall be omitted.

16. Any person may be appointed or elected as a Director whatever may be his age, and no Director shall be required to vacate his office by reason of his attaining or having attained the age of 70 or any other age.

17. The following sentence shall be added at the end of paragraph (a) of Regulation 134 of Table A, namely :-

"and except those who under the provisions of the Company's Regulations and Articles of Association or the terms of issue of the shares held by them are not entitled to receive notices of General Meetings of the Company."