

No 84167



THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

ARRIVA YORKSHIRE LIMITED*

1. The Company's name is "ARRIVA Yorkshire Limited".
2. The Company's Registered Office is to be situated in England and Wales.
3. The Company's objects are:-
 - (a) to carry on business as a general commercial company and accordingly to carry on any trade or business whatsoever and to do so all such things as are incidental or conducive to the carrying on of any trade or business by it;
 - (b) to carry on any other activity or to do anything which seems to be capable of being or can in the opinion of the directors conveniently or advantageously be carried on or done with or in connection or combined with or as ancillary or complementary to any business or activity of the Company or which may be calculated directly or indirectly to enhance the value of or render more profitable any of the Company's businesses, property or rights and to continue to carry on any activity which at the time when it commenced was authorised by this or the last preceding sub-clause;
 - (c) to purchase, take on lease or in exchange, hire, apply for, register, take options over or otherwise acquire for the purpose of or in connection with any activity of the Company or by way of investment and to hold, protect, prolong, alter,

* Current name adopted by Special Resolution passed on 19 February 1998.

repair and renew immovable and movable property, assets, rights and privileges of all kinds including without limitation any estate, interest or right in land, buildings, goods and chattels, licences, goodwill, contracts, concessions, patents, trade marks, designs, copyright, intellectual property, secrets, know-how, rights, securities and investments of any nature;

- (d) to sell, lease, let on hire, exchange, improve, extend, preserve, manage, develop, work, mortgage, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any of the property, assets, rights, privileges, businesses and undertakings of the Company for such consideration as the Company may think fit and to construct, alter, demolish, remove or execute any buildings, constructions or works on any land;
- (e) to enter into any transaction and exercise any power connected with the carrying on, control, financing or management of the Company's businesses, activities and assets and the sale, provision or exploitation of its products, goods, services or experience and to raise or borrow money (whether or not immediately required), obtain credit or sources of finance of any kind, receive money on deposit, mortgage or charge all or part of its undertaking, uncalled capital (present or future), rights, property and assets, issue debentures or debenture or loan stock, obtain guarantees, make pledges, grant liens or enter into any other form of security;
- (f) to lend money or give credit with or without security to and (whether for consideration or otherwise) to undertake or guarantee the obligations of any person, firm or company, including (without prejudice to the generality of the foregoing) any supplier or customer of the Company, any company which is the Company's holding company or a subsidiary of the Company's holding company or any subsidiary of the Company, or any company, firm or business in which the Company may be in any way interested and to enter into any form of security for any such guarantee or obligation;
- (g) to the extent that the same is permitted by law, to give financial assistance (within the meaning of S152 of Companies Act 1985) for the purpose of or in connection with a purchase or subscription of or for shares in the Company or the Company's holding company for the time being and to give such assistance by any means howsoever permitted by law;
- (h) to make, draw, accept, endorse, issue, discount, negotiate and otherwise deal with promissory notes, bills of exchange, cheques, letters of credit, orders for payment, commercial paper and other negotiable or mercantile instruments and to procure and pay the costs, charges and expenses of the doing of any such things by any other person;
- (i) to invest and deal with the monies of the Company not immediately required in or upon such investments or securities and in such manner as may from time to time be determined and to hold, transpose and deal with any investments or securities in any manner;
- (j) to acquire any other company, firm or business or the goodwill or assets of any business whether for cash or by the issue or transfer of shares, debentures, debenture stock or other securities whether of the Company or otherwise or in

consideration of the Company undertaking any liabilities or in any other way or in any combination of ways and to take interests by way of shareholding or otherwise in any other company, enterprise or concern whether by way of trade or investment;

- (k) to carry out the functions of a group holding company (whether or not the Company is at the same time carrying on any other business), to control, finance and manage, and to provide managerial, secretarial, accounting, legal, insurance, administrative, technical, financial, commercial or any other services or facilities for or otherwise to assist any company or companies in which the Company may be interested and to make or enter into any arrangements which may seem desirable in respect of any such company or companies and to enter into any transaction or arrangement calculated to benefit any such company or companies which would have been authorised if calculated to benefit the Company;
- (l) to amalgamate with or to enter into any partnership or joint venture arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business which the Company is authorised to carry on or any business or transaction which may seem capable of being conducted so as directly or indirectly to benefit the Company and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, firm or person and to guarantee the contracts or liabilities of, or the payment of dividends, interest or capital on any shares, stock or securities of and to subsidise or otherwise assist any such company, firm or person;
- (m) to promote any other company which may seem directly or indirectly capable of benefiting the Company or for the purpose of acquiring the whole or any part of the business, property, assets or liabilities of the Company and to place, underwrite, subscribe or enter into any other transaction in relation to shares or securities of any such company;
- (n) to engage such directors, staff, employees, consultants, advisers and agents as may be required for the control or carrying on of the Company's business and to fix and regulate the terms of employment of and relations with such persons and to remunerate them whether by salary, fees, bonuses, pensions, insurance, benefits, the allotment of shares or other securities of the Company or otherwise as may be deemed expedient and to provide or establish, manage, act as trustee of and fund any trust, scheme, society, company or fund to provide benefits for or to the directors, employees and former directors and employees of the Company or any company which is the Company's holding company or a subsidiary of the Company's holding company or a subsidiary of the Company or any company, firm or business in which the Company may be in any way interested and their spouses and dependants including in particular any pension funds or schemes, employees' share schemes, profit sharing schemes, employees' trusts, sports, educational or leisure facilities and training or retraining schemes;
- (o) to research into, develop or improve any invention, process or field of knowledge capable directly or indirectly of benefiting the Company and to fund any such research, development or improvement by any other person or persons

or education and training in any such field of knowledge or education or training in skills or disciplines which may be useful to the Company or any company, firm or business in which the Company is interested;

- (p) to advertise and promote in any manner the public image of the Company or any of its businesses or activities, the sale, production or use of any goods, products or services supplied or dealt in by the Company or by any company, firm or business in which the Company is interested, any securities of the Company or any other matter in which the Company may be interested;
- (q) to apply for, promote, oppose or object to any legislation, regulation, order, charter, decree, licence, registration, right, privilege or concession of or from any authority (international, supranational, governmental, local, judicial or otherwise) or of or from any public or private body or person as may seem calculated directly or indirectly to benefit the interests of the Company;
- (r) to support and contribute to in any manner any charity or charitable object or overseas body, organisation or purpose having the characteristics of a charity or any benevolent, public or social object or any trade association or association of employers or employees or (so far as shall be calculated directly or indirectly to benefit the interests of the Company) any political party or cause;
- (s) to insure for its own benefit or for the benefit of any other person against loss, damage, risks and liabilities of all kinds and (without prejudice to the generality of the foregoing) to purchase and maintain for officers of the Company or of any other company insurance against any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty;
- (t) to pay all the costs, charges and expenses of and incidental to the promotion, incorporation and formation of the Company and the underwriting, placing, selling, listing or guaranteeing of any shares or securities of the Company or the raising of money for the Company or any other company in which the Company is or proposes to be interested;
- (u) to distribute any property of the Company among the members in cash, in specie or in any other manner;
- (v) to enter into contracts, transactions, arrangements and obligations of all kinds and to exercise all the powers of a company limited by shares under any of the Companies Acts of the United Kingdom and any other statute, law or regulation in any part of the world governing any of the operations or transactions of the Company;
- (w) to do all such other things as may be incidental or conducive to the attainment of the above objects or any of them and to enter into any transaction decided on by the directors for the time being of the Company;
- (x) to act as and to do all or any of the above things as principals, agents, trustees or otherwise and either alone or in conjunction or in partnership with others and either by or through agents, partners, sub-contractors, trustees or otherwise.
- (y) To stand surety for or to guarantee, support or indemnify or secure the

performance of all or any of the obligations of any person, firm or company, whether by personal covenant or by mortgage, charge, debenture or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital and goodwill or by both such methods, and, in particular but without limiting the generality of the foregoing, to guarantee, support, indemnify or secure whether by personal covenant or by any such mortgage, charge, debenture or lien or by both such methods the performance of all or any of the obligations (including the repayment of principle and premium of and the interest on any securities and the principal and interest on any borrowings) of any company which is for the time being the Company's holding company (as defined by Section 736 of the Companies Act 1985) or a subsidiary of the Company or any other subsidiary (as defined by the said Section) of any such holding Company. For the purposes of this sub-clause (y) "guarantee" includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for shares or other securities and purchase of assets or services), indemnify and keep indemnified against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person**

*** Passed by Written Resolution dated 6 September 2004*

The objects set out in this clause shall not be restrictively construed but the widest interpretation shall be given to them and they shall not, except where expressly required, be in any way limited or restricted by reference to or inference from any other such object or objects or from the order in which they appear or from the name of the Company but shall be separate and independent objects and the Company shall have power to carry on each such object as if it were the principal object of the Company.

4. The liability of the members is limited.
5. The Company's share capital is £1,429,678 divided into 1,429,678 shares of £1 each.

We, the subscribers to this Memorandum of Association, wish to be formed into a company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

Names and Addresses of Subscribers	Number of shares taken by each Subscriber
	1
	1
Total shares taken	<u>2</u>

Dated 2002

Witness to the above signatures:-

Practice note:

If the “general commercial company” clause 3(a) is not used, clause 3(b) should be amended as follows:-

- (b) to carry on any other business or activity similar to any business or activity above authorised or which seems to be capable of being or can in the opinion of the directors conveniently or advantageously be carried on with or in connection or combined with or as ancillary or complementary to any business or activity of the Company or which may be calculated directly or indirectly to enhance the value of or render more profitable any of the Company’s businesses, property or rights and to continue to carry on any business or activity which at the time when it commenced was authorised by this sub-clause;

The “general commercial company” object should not be combined with specified main objects.

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION*

OF

ARRIVA YORKSHIRE LIMITED

PRELIMINARY

1. (1) The Regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company save insofar as they are excluded or varied hereby, and such Regulations save as so excluded or varied together with the Articles hereinafter contained shall be the Articles of Association of the Company.
- (2) The following Regulations of Table A shall not apply to the Company, namely Regulations 3, 24, 41, 46, 48, 67, 73, 74, 75, 80, 94, 95, 96, 97.

INTERPRETATION

2. The provisions as to the interpretation of Table A contained in Regulation 1 thereof shall apply to the interpretation of these Articles as they apply to the interpretation of Table A.

PRIVATE COMPANY

3. The Company is a private company and accordingly the Company shall not offer, allot or agree to allot any shares in or debentures of the Company to the public with a view to all or any of such shares or debentures being offered for sale to the public, and sections 58(3), 59 and 60 of the Act shall apply for the purposes of this Article as they apply for the purposes of the Act.

* *Adopted by Written Resolution passed on 1 October 1998.*

4. (1) All unissued shares of the Company, whether forming part of the original or any increased capital shall be under the control of the Directors who may allot, grant options over, offer or otherwise deal with or dispose of them to such persons, including any Directors of the Company, at such times and on such terms and generally in such manner as they think fit;
- (2) The Directors are hereby generally and unconditionally authorised to exercise the powers of the Company to allot relevant securities as defined in section 80 of the Act and are empowered to make offers or agreements which would or might require relevant securities as so defined to be allotted after the expiry of such authority;
- (3) Unless and until the authority conferred by (2) above is revoked, renewed or varied,
- (a) the maximum amount of relevant securities as so defined that may be allotted under such authority shall be the amount of unissued relevant securities in the capital of the Company at the date of the incorporation of the Company;
- (b) such authority shall expire on the fifth anniversary of the date of the incorporation of the Company.

REDEMPTION OF SHARES

5. Subject to the provisions of the Act shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder, provided that the terms on which and the manner in which any such redeemable shares shall or may be redeemed shall be specified by Special Resolution before the issue thereof.

LIEN

6. The lien conferred by Regulation 8 of Table A shall also attach to:
- (a) fully paid shares;
- (b) all shares whether fully paid or not standing registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

TRANSFER OF SHARES

7. The transferor shall be deemed to remain a holder of any shares which have been or are to be transferred until the name of the transferee is entered in the register of members in respect thereof.
8. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of any share, whether or not it is fully paid.
9.
 - (1) A member (referred to in this Article as "the Transferor") desiring to transfer shares otherwise than to another member shall give notice in writing of such intention to the Directors of the Company giving particulars of the shares in question (referred to in this Article as "the transfer notice");
 - (2) The transfer notice shall constitute the Directors as agents of the transferor for the sale of the shares included in the transfer notice at the prescribed price (as hereinafter defined) and on the terms hereinafter set out;
 - (3) The prescribed price shall be such price per share as shall be agreed between the transferor and the Directors or in default of agreement as shall be fixed by the Auditors for the time being of the Company as the fair value thereof; and the cost of the said valuation by the Auditors shall be borne by the Company;
 - (4) The Directors shall offer the shares included in the transfer notice to the members of the Company (other than the transferor) at the prescribed price, and such offer shall be expressed to be open for acceptance for a period of not more than twenty-eight days;
 - (5) In the event of competition the shares so offered shall be sold to the members accepting the offer in such proportions (or as nearly as may be and without increasing the number sold to a member beyond the number applied for by him) as their existing holdings bear to the issued share capital of the Company;
 - (6) The transferor shall be bound upon receipt of the prescribed price to transfer to each member who has accepted the said offer such number of shares included in the transfer notice as such member shall have so accepted;
 - (7) Where a transferor fails or refuses so to transfer any shares within twenty-eight days after having become so bound so to do the Directors may authorise some person to execute on behalf of and as attorney for the transferor any necessary transfers and may receive the purchase money therefor in trust for the transferor; and in any such case the receipt of the Company shall be a good discharge to the purchaser who shall not be bound to see to the application thereof;

- (8) If, at the expiry of the time prescribed for the acceptance of offers under (4) above, any shares included in the transfer notice have not been accepted for purchase by the members or any of them on the terms set out in (4) to (7) above inclusive the transferor shall be at liberty to dispose of so many of such shares as have not been so accepted for purchase in any manner he may think fit within three months from the expiry of the said time prescribed under (4) above.

PROCEEDINGS AT GENERAL MEETINGS

10. (1) If the quorum prescribed by Regulation 40 of Table A is not present within half an hour from the time appointed for the meeting the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine.
- (2) If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting one person entitled under Regulation 40 of Table A to be counted in a quorum present at the meeting shall be a quorum.
11. (1) A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded.
- (2) A poll may be demanded:-
- (a) by the Chairman; or
 - (b) by a member (present in person or by proxy) having the right to attend and vote at the meeting; or
 - (c) by a duly authorised representative or a corporation.
- (3) The demand for a poll may, before the poll is taken, be withdrawn.
- (4) A demand so withdrawn shall not be taken to have invalidated the result of a vote on a show of hands declared before the demand was made.
12. A resolution in writing executed pursuant to Regulation 53 of Table A and which is expressed to be a special resolution or an extraordinary resolution shall have effect accordingly.

VOTES OF MEMBERS

13. There shall be inserted the words "Unless the Directors otherwise determine" before the words "No member shall" in Regulation 57 of Table A which shall be modified accordingly in its application to the Company.

14. (1) The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:-
- (a) be deposited at the office or at such other place within the United Kingdom and at such time as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting; or
 - (b) notwithstanding any provision to the contrary in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, be deposited with the Chairman 30 minutes before the commencement of the meeting or adjourned meeting and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
- (2) Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment thereof.

ALTERNATE DIRECTORS

15. An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director.

POWERS OF DIRECTORS

16. In addition to and without prejudice to the generality of the powers conferred by Regulation 70 of Table A the Directors may mortgage or charge all the undertaking and property of the Company including the uncalled capital or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

PROCEEDINGS OF DIRECTORS

17. The words "and unless so fixed at any other number shall be two" shall be omitted from Regulation 89 of Table A in its application to the Company.
18. For the purposes of Regulation 93 of Table A, the consent of a Director or an alternate Director to a resolution may also be given by giving notice of his approval to the Company by letter, telex, cable or other similar means.
19. A Director may vote as a Director in regard to any contract, arrangement or any other proposal whatsoever in which he is interested or upon any matter arising there from, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract, arrangement or proposal is under consideration.

20. Without prejudice to the first sentence of Regulation 88 in Table A, a meeting of the Directors may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication or by video link) to speak to each of the others and to be heard by each of the others simultaneously and the word "meeting" in these Articles and in Table A shall be construed accordingly.

INDEMNITY

21. In addition to the indemnity conferred by Regulation 118 of Table A and subject to the provisions of the Act, every such person as is mentioned in the said Regulation shall be entitled to be indemnified out of the assets of the Company against all expenses, losses or liabilities incurred by him as agent of the Company or for the Company's benefit or intended benefit or in or about the discharge or intended discharge of his duties in relation to the Company.