

No:464648

The Companies Acts 1948-1983

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

BRITISH MIDLAND AIRWAYS LIMITED

TUESDAY



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COMPANIES HOUSE

1. The Name of the Company is "BRITISH MIDLAND AIRWAYS 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 carry on the businesses of Instructors in Aviation, Aerial Navigation, Aerial and Ground Signalling, Dealers in and Importers and Exporters of Aircraft and Aircraft Engines of all kinds and Transporters of Passengers and Goods by Air.
 - (B) To undertake and carry on repairing, re-conditioning and reconstructing, overhauling, repainting and testing of aircraft and aircraft engines of all kinds, and housing same.
 - (C) To carry on flying clubs in such parts of Great Britain as the Board of Directors may from time to time decide and to provide such clubs with clubhouses and with such facilities as are usual for the furtherance of air-mindedness and general social intercourse amongst the club members, and in particular to supply and sell any refreshment, food and beverages which the Board of Directors and/or the club committee may decide.
 - (D) To carry on the business of Air Transport Contractors and to establish, maintain and operate air lines and communications and special charters of all kinds and to all places, to carry on the businesses of Proprietors of Tourist, Travel and other Agencies and Bureaux, Designers, Manufacturers and Repairers

*The name of the Company was, on the 30th day of July 1964, changed from "DERBY AVIATION, LIMITED".

of and Dealers generally in Aircraft of every description, and of and in engines, component parts, spares, supplies, apparatus, fittings, accessories, and lubricants and fuels of every description for the use of or connected in any way with aircraft of all kinds, and to maintain, service, provide, let on hire, buy, sell and deal in every way with aircraft, to carry on the businesses of Radio, Electrical, General and Mechanical Engineers, Carpenters, Wood, Fabric and Metal Workers, Builders and Contractors, Carriers, Garage, Hangar and Aerodrome Builders and Proprietors, and Aviation Instruction School Proprietors; and generally to do all such things and deal in every way with any trade or business connected with aircraft and air transport services.

- (E) To carry on the businesses of Manufacturers of, Dealers in, Letters on Hire, Repairers, Cleaners, Storers and Warehousemen of Automobiles, Motor Cars, Motorcycles, Bicycles, Velocipedes, Coaches and Carriages and Vehicles of all kinds whether moved by mechanical power or not, and all machinery, implements, utensils, appliances, apparatus, lubricants, cements, solutions, enamels, and all things accessory thereto or capable of being used therewith or in the manufacture, maintenance and working thereof respectively or in the construction of any track or surface adapted for the use thereof, and Makers of and Dealers in articles of any description made or prepared with india-rubber or any compound thereof or substitute therefor.
- (F) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above objects, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property.
- (G) To purchase or by any other means acquire any freehold, leasehold, or other property for any estate or interest whatsoever, and any rights, privileges, or easements over or in respect of any property, and any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, rolling stock, vehicles, plant, live and dead stock, barges, vessels or things, and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used with, or may enhance the value of any other property of the Company.
- (H) To build, construct, maintain, alter, enlarge, pull down, and remove or replace any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, walls, fences, banks, dams, sluices, or watercourses, and to clear sites for the same, or to join with any person, firm, or company in doing any of the things aforesaid, and to work, manage, and control the same or join with others in so doing.
- (I) To apply for, register, purchase or by other means acquire and protect, prolong, and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, brevets

d'invention, licences, trade marks, designs, protections, and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions, or rights which the Company may acquire or propose to acquire.

- (J) To acquire and undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits or for cooperation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any Shares, Debentures, Debenture Stock, or securities that may be agreed upon, and to hold and retain, or sell, mortgage, and deal with any shares, debentures, debenture stock, or securities so received.
- (K) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (L) To invest and deal with the moneys of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.
- (M) To lend and advance money or give credit to such persons, firms, or companies and on such terms as may seem expedient, and in particular to customers of and others having dealings with the Company, and to give guarantees or become security for any such persons, firms, or companies.
- (N) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised, or owing, by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled Capital, and also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake.
- (O) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

- (P) To apply for, promote, and obtain any Act of Parliament, Order or Licence of the Board of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (Q) To enter into any arrangement with any Governments or authorities (supreme, municipal, local or otherwise), or any companies, firms or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, company, firm, or person any charters, contracts, decrees, rights, privileges, and concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, contracts decrees, rights, privileges, and concessions.
- (R) To subscribe for, take, purchase, or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being carried on so as directly or indirectly to benefit this Company.
- (S) To act as agents or brokers and as trustees for any person, firm, or company, and to undertake and perform sub-contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors, or others.
- (T) To remunerate any person, firm, or company rendering services to this Company, either by cash payment or by the allotment to him or them of Shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (U) To pay all or any expenses incurred in connection with the promotion, formation, and incorporation of the Company, or to contract with any person, firm, or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any Shares, Debentures, Debenture Stock, or securities of this Company.
- (V) To support and subscribe to any charitable of public object, and any institution, society, or club which may be for the benefit of the Company or its employees or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid to any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, and to the wives, widows, children, and other relatives and dependents of such persons; to make payments towards insurance; and to set up,

establish, support, and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children, and other relatives and dependents.

- (W) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of this Company, or of undertaking any business or operations which may appear likely to assist or benefit this Company or to enhance the value of any property or business of this Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (X) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (Y) To distribute among the Members of the Company in kind any property of the Company, and in particular any shares, debentures, or securities of other companies belonging to this Company or of which this Company may have the power of disposing.
- (Z) To procure the Company to be registered or recognised in any Dominion or Dependency and in any Foreign Country or Place.
- (AA) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

It is hereby expressly declared that each Sub-Clause of this Clause shall be construed independently of the other Sub-Clauses hereof, and that none of the objects mentioned in any Sub-Clause shall be deemed to be merely subsidiary to the objects mentioned in any other Sub-Clause.

- 4. The Liability of the Members if Limited.
- 5. The Share Capital of the Company is Five Thousand Pounds, divided into Five Thousand Shares of One Pound each.*

*By Resolutions passed in the years 1953, 1956, 1962, 1963, 1968, 1969, 1972, 1978, 1984, 1987 and 1994 the Share Capital of the Company was increased and reorganised. At the date of the last such resolution (31st August 1994) the Share Capital of the Company was £13,080,000 divided into 13,080,000 Ordinary Shares of £1 each.

THE COMPANIES ACTS 1948-1983

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRITISH MIDLAND AIRWAYS LIMITED

**(Adopted by Special Resolution passed on 16th March 1984 and amended
by Special Resolutions passed on 25th June 1987, 2nd June 1989 and 1st
July 2009**

PRELIMINARY

1.01 In these Articles and in Table A:-

“the Act” means the Companies Act 1948 as amended by the other Acts which, together therewith, may by reason of section 119(2) of the Companies Act 1981 and section 7(2) of the Companies (Beneficial Interests) Act 1983 be cited together as the Companies Acts 1948 to 1983.

“Table A” means Table A in the First Schedule to the Act.

“the Statutes” means the Companies Acts 1948 to 1983 (and any statutory amendment or replacement thereof) and every other Act for the time being in force concerning companies and affecting the Company.

2.01 Subject as hereinafter provided, the regulations contained in Table A shall apply to the Company.

2.02 Regulations 3, 24, 51, 75, 77, 79, 87 to 94 inclusive, 99, 101, 128, 128A and 136 of Table A shall not apply to the Company, but the Articles hereinafter contained and the remaining regulations of Table A, subject to the modifications hereafter expressed, shall constitute the regulations of the Company.

SHARES

- 3.01 The share capital of the Company is £13,080,000 divided into 13,080,000 Ordinary Shares of £1 each.
- 4.01 Any share may, with the sanction of a Special Resolution, be issued on the terms that it is, or at the option of the Company or of the holder of such share is liable, to be redeemed.
- 4.02 Subject to the provisions of the Statutes, the Company may purchase any of its own shares.
- 4.03 Subject to the provisions of the Statutes, the Company may make a payment in respect of any redemption or purchase pursuant to Article 4.01 or (as the case may be) Article 4.02 of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

LIEN

- 5.01 The lien conferred by regulation 11 of Table A shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders. The said regulation 11 shall be modified accordingly.

TRANSFER OF SHARES

- 6.01 The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, not being a fully paid share.
- 7.01 An instrument of transfer of fully paid shares need not be signed by or on behalf of the Transferee and regulation 22 of Table A shall be modified accordingly.
- 8.01 The Company shall not charge transfer or registration fees and the reference to a fee in regulation 25 of Table A shall be disregarded.

PROCEEDINGS AT GENERAL MEETINGS

- 9.01 A poll may be demanded at any General Meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulation 58 of Table A shall be modified accordingly.
- 10.01 The words "or not carried by a particular majority" shall be inserted after the words "or lost" in regulation 58 of Table A.
- 11.01 A proxy shall be entitled to vote on a show of hands and regulation 62 of Table A shall be modified accordingly.
- 12.01 Any such resolution in writing as is referred to in regulation 73A of Table A may consist of several documents in a like form each signed by one or more of the members (or their duly authorised representatives) in that regulation referred to. In the case of a

corporation a director or the secretary thereof shall be deemed to be a duly authorised representative for this purpose.

DIRECTORS

- 13.01 The number of Directors of the Company shall not be less than two nor more than eight.
- 14.01 A Director shall not be required to hold any qualification shares in the Company, but nevertheless shall be entitled to attend and speak at any General Meeting and at any separate General Meeting of the holders of any class of shares in the capital of the Company.
- 15.01 The words "unless the Company otherwise direct" at the end of regulation 78 of Table A shall be deleted.

BORROWING POWERS

- 16.01 The Directors may exercise all the powers of the Company to borrow or raise money or to guarantee and to mortgage or charge its undertaking, property, assets and rights and uncalled capital or any part thereof and, subject to the provisions of the Statutes, to create and issue debentures, debenture stock, mortgages, charges and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

POWERS AND DUTIES OF DIRECTORS

- 17.01 Subject to the provisions of the Statutes, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit all profits and advantages accruing to him. Regulation 84 of Table A shall be modified accordingly.
- 18.01 It shall not be necessary for the Directors to sign a book recording their attendances at meetings of Directors and regulation 86 of Table A shall be modified accordingly.

APPOINTMENT AND DISQUALIFICATION OF DIRECTORS

- 19.01 Without prejudice to the powers of the Company under section 184 of the Act to remove a Director by Ordinary Resolution and notwithstanding any other provision of these Articles, the holder or holders for the time being or more than one half of the issued Ordinary Shares of the Company shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors either as additional Directors or to fill any vacancy and to remove from office any Director howsoever appointed. Any

such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same or in the case of a member being a company signed on its behalf by one of its directors and shall take effect upon lodgement at the registered office of the Company.

20.01 The office of a Director shall be vacated:-

- (a) if by notice in writing to the Company he resigns the office of Director;
- (b) if he shall for more than 6 months have been absent without permission of the Directors from meetings of the Directors held during that period, unless he shall have appointed an alternate Director who has not been similarly absent during such period;
- (c) if he becomes bankrupt or enters into any arrangement with his creditors;
- (d) if he is prohibited from being a Director by an order made under any provision of the Act;
- (e) if he becomes of unsound mind;
- (f) if he is removed from office under regulation 96 of Table A; or
- (g) if he is removed from office under Article 19.01.

ROTATION OF DIRECTORS

21.01 The Directors shall not be liable to retire by rotation, and accordingly in each of regulations 95 and 97 of Table A the second sentence thereof shall be deleted.

ALTERNATE DIRECTORS

- 22.01 Each Director shall have the power to nominate any other Director or any person approved for that purpose by resolution of the Directors to act as alternate Director at meetings of the Directors in his place during his absence and, at his discretion, to revoke such nomination.
- 22.02 Any appointment or removal of an alternate Director shall be effected by an instrument in writing delivered at the registered office of the Company and signed by the appointor.
- 22.03 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notice of meetings of the Directors and to attend and vote at any such meeting and to perform thereat all the functions of his appointor. An alternate Director shall have one vote for each Director he represents, in addition to his own vote if he is a Director, but he shall not be counted more than once in the quorum. If his appointor is for the time being absent from the United Kingdom or otherwise not available the appointee's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. An alternate Director

shall be deemed to be a Director for the purpose of signing instruments to which the seal is affixed and regulation 113 of Table A shall be modified accordingly. Save as aforesaid, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

- 22.04 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration, except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- 22.05 An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, provided that if any Director retires but is re-elected at the same Meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force.

PROCEEDINGS OF DIRECTORS

- 23.01 intentionally blank
- 23.02 The quorum necessary for the transaction of the business of the Directors shall be three.
- 23.03 Any Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 24.01 The following sentence shall be added to regulation 102 of Table A: "Any committee shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a Director of the Company".
- 25.01 The written resolution referred to in regulation 106 of Table A may consist of several documents in a like form each signed by one or more of the Directors.

OFFICIAL SEAL FOR USE ABROAD

- 26.01 The Company may have an official seal for use abroad under the provisions of the Act, where and as the Directors shall determine, and the Company may by writing under the Common Seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the

use thereof as may be thought fit. Wherever in these Articles reference is made to the Common Seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

CAPITALISATION OF PROFITS AND RESERVES

- 27.01 The Company in General Meeting may on the recommendation of the Directors and subject to the proviso hereinafter contained resolve to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or profit and loss account or share premium account or any other amount which is available for distribution and is not required for payment of dividend on any shares carrying a preferential right to dividend and to resolve that such sum be applied either in or towards paying up any amounts for the time being unpaid on any shares held by the members of the Company who would have been entitled to such sum if distributed by way of dividend (assuming for this purpose only, and whether such is the case or not, that such sum could be distributed by way of dividend pursuant to the Statutes) or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution; Provided that a share premium account or a capital redemption reserve and any reserve or profit and loss account which is not available for distribution may, for the purposes of this Article, only be applied in paying up in full unissued shares to be allotted to members of the Company as fully paid bonus shares.

NOTICES

- 28.01 Every Director of the Company and every alternate Director shall be entitled to receive notices of general meetings in addition to the persons specified in regulation 134 of Table A.

INDEMNITY

- 29.01 Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 448 of the Act in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by section 205 of the Act.

MISCELLANEOUS PROVISIONS WHERE MATERIAL
OVERSEAS INTERESTS EXIST

30.01 Table A shall be further modified as follows:

- (a) in regulation 49 the words "within the United Kingdom" shall be deleted;
- (b) in regulation 98 the final sentence shall be deleted;
- (c) regulations 131 and 133 shall be modified by the substitution of the words "to the address, if any, whether within or outside the United Kingdom" for the words "the address, if any, within the United Kingdom";
- (d) in paragraph (a) of regulation 134 all words other than "every member" shall be deleted.

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