

1927 016

# THE COMPANIES ACTS 1948 TO 1981

## COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION\*\*

- of -

### VIRGIN AVIATION SERVICES LIMITED\*

#### PRELIMINARY

- 1
  - (a) Subject as hereinafter provided, the regulations contained in Part 1 of Table A in the First Schedule to the Companies Act 1948 (hereinafter referred to as "Table A") as modified by the Companies Acts 1948 to 1981 (as defined by Section 119 (2) of the Companies Act 1981) shall apply to the Company.
  - (b) Regulations 3, 10, 11, 24, 75, 79, 88, 89-93, 96 and 97 of Table A shall not apply to the Company.
  - (c) In these Articles the following definition shall be added to the definitions set out in regulation 1 of Table A:-

"the Statutes" means the Companies Acts 1948 to 1981 as defined in Section 119(2) of the Companies Act 1981 and every statutory modification and re-enactment thereof and every other Act for the time being in force concerning companies and affecting the Company.
- 2 The Company is a private company and accordingly no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public.

#### SHARES

- 3
  - (a) The Directors may subject to Article 4 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by Section 14(10) of the Companies Act 1980) of the Company to such persons and generally on such terms and conditions as the Directors think proper.

1

\*\* As amended by special resolutions dated 17 March 1989 and 30 March 2000.

\* As amended by special resolution dated 21 October 1985.



- (b) The general authority conferred by paragraph (a) of this Article shall be conditional upon due compliance with Article 4 hereof and shall extend to all relevant securities of the Company from time to time unissued during the period of such authority. The said authority will expire on the 31st day of May, 1990 unless renewed, varied or revoked by the Company in general meeting.
- (c) The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.
- 4 (a) Subject to any direction to the contrary that may be given by the Company in general meeting all shares authorised pursuant to Article 3 hereof to be allotted shall be offered to the members in proportion to the existing shares held by them and such offer shall be made by notice in writing specifying the number of the shares to which the member is entitled and limiting a time (being not less than 21 days) within which the offer if not accepted will be deemed to have been declined, and after the expiry of such time or upon receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may, subject to these Articles, allot or otherwise dispose of the same to such persons and upon such terms as they think most beneficial to the Company. The Directors may in like manner dispose of any such shares as aforesaid which, by reason of the proportion borne by them to the number of persons entitled to any such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner hereinbefore provided.
- (b) Section 17(1) of the Companies Act 1980 shall not apply to any allotment of shares in the Company.
- 5 Subject to the provisions of the Statutes, any Shares may with the sanction of a Special Resolution be issued upon the terms that they are or at the option of the Company are liable to be redeemed.

#### **LIEN**

- 6 The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any member whether solely or one of two or more joint holders for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall extend to all dividends payable thereon.

#### **TRANSFER OF SHARES**

- 7 The instrument of transfer of a fully paid share need not be executed by or on

behalf of the transferee and regulation 22 of Table A shall be modified accordingly.

- 8 Save as otherwise provided in these Articles, 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.

### **DIRECTORS**

- 9 Unless and until otherwise determined by the Company in General Meeting and subject to Article 10 hereof the number of the Directors shall not be less than two nor more than 9. The first Directors of the Company will be the person or persons named in the Statement delivered to the Registrar of Companies in accordance with Section 21 of the Companies Act 1976.
- 10 If and so long as there shall be one Director only he shall be entitled to exercise all the powers and shall carry out all the duties assigned to Directors and the provisions of these Articles and the regulations of Table A shall be construed accordingly.
- 11 The words "in General Meeting" shall be inserted after the words "unless the Company" in regulation 78 of Table A.
- 12 In regulation 95 of Table A the words from "Any Director" to the end of the regulation shall be deemed to be deleted.
- 13 In the event that any person or persons entitled to do so under the terms of the Shareholders Agreement dated 11 February 2000 between Virgin Investments SA, Singapore Airlines Limited, Barford Services Limited, Sir Richard Branson, Ivanco (No.1) Limited and Virgin Travel Limited, shall give notice to the Company in accordance with that Agreement, appointing a Director, or removing or replacing a Director appointed by it or them from office, such appointment or removal shall take place immediately.

### **BORROWING POWERS**

- 14 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to Section 14 of the Companies Act 1980 and Article 3 hereof, 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.

### **POWERS AND DUTIES OF DIRECTORS**

- 15 (a) Subject to the next following sub-paragraph a Director may vote in respect of any contract or arrangement in which he is interested and be counted in the quorum present of any meeting at which any such contract or arrangement is proposed or considered, and if he shall so vote his vote shall be counted. This Article shall have effect in substitution for paragraphs (2) and (4) of regulation 84 of Table A, which paragraphs shall not apply to the Company.

- (b) The Company shall in all respects duly comply with the provisions of Part IV of the Companies Act 1980.

### **DISQUALIFICATION OF DIRECTORS**

16 The office of a Director shall be vacated:-

- (1) If by notice in writing to the Company he resigns the office of Director.
- (2) If he ceases to be a Director by virtue of section 182 of the Act.
- (3) If he becomes bankrupt or insolvent, or enters into any arrangement with his creditors.
- (4) If he is prohibited from being a Director by an order made under any of the provisions of the Statutes.
- (5) If he becomes of unsound mind.
- (6) If he is removed from office by a resolution duly passed under section 184 of the Act.

17 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 seventy years or any other age.

### **REMOVAL OF DIRECTORS**

18 In addition and without prejudice to the provisions of section 184 of the Act, the Company may by Extraordinary Resolution remove any Director before the expiration of his period of office, and may by Ordinary Resolution appoint another Director in his stead.

### **PROCEEDINGS OF DIRECTORS**

19 A Directors may from time to time by notice in writing to the Company appoint any person (whether a Director of the Company or not) to act as an alternate Director at any meeting of the Board from which he is himself absent, and may in like manner remove any person so appointed from office.

### **SECRETARY**

20 The first Secretary of the Company shall be Howard Thomas.

**NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS**

H. THOMAS  
70/74 City Road  
London  
EC1Y 2DQ

Company Registration Agent

C. MILFORD-COTTAM  
70/74 City Road  
London  
EC1Y 2DQ

Company Registration Agent

Dated this 12th day of June, 1985.

Witness to the above Signatures:-

W.R. PAYNE  
70/74 City Road  
London  
EC1Y 2DQ

Company Registration Agent