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COMPANIES FORM No. 12

12**Statutory Declaration of compliance
with requirements on application
for registration of a company**Please do not
write in
this margin

Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

For official use

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2003020

Name of company

* insert full
name of Company* BLACKPOOL TRANSPORT SERVICES LIMITEDI, JOHN BRYAN TURNERof P.O. BOX 11, TOWN HALL, BLACKPOOL† delete as
appropriate

AB I do solemnly and sincerely declare that I am a [Solicitor engaged in the formation of the company]†
~~person named as director or~~ and secretary of the company in the statement delivered to the registrar
under section 10(2)† and that all the requirements of the above Act in respect of the registration of the
above company and of matters precedent and incidental to it have been complied with,

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835

Declared at BLACKPOOL LANCASHIRE

Declarant to sign below

the 5th day of MarchOne thousand nine hundred and EIGHTY-SIXbefore me A. Bartlett

~~A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor~~ having the powers conferred on a
Commissioner for Oaths.

J.B. Turner

PRINTED AND SUPPLIED BY

JordansJORDAN & SONS LIMITED
JORDAN HOUSE
BRUNSWICK PLACE
LONDON N1 6EE
TELEPHONE 01 253 3007
TELEX 251010Presentor's name address and
reference (if any):

J.B. TURNER, M.A., SOLICITOR
COMPANY SECRETARY,
P.O. BOX 11,
TOWN HALL,
BLACKPOOL FY1 1NB.

BMG/TRN/8/205

For official Use
New Companies Section

Post room



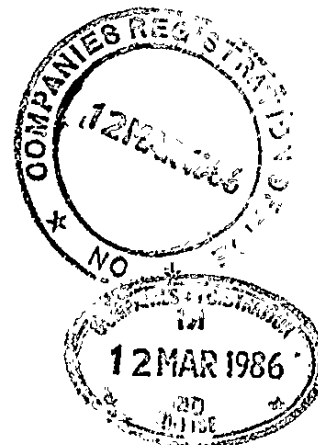
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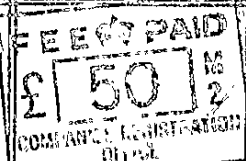
THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM AND
ARTICLES OF ASSOCIATION OF

BLACKPOOL TRANSPORT SERVICES LIMITED.





THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

BLACKPOOL TRANSPORT SERVICES LIMITED

1. The Company's name is "Blackpool Transport Services Limited".

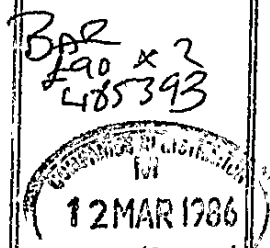
2. The Company's registered office is to be situated in England.

3. The Company's objects are:-

(a) (i) To carry on activities of any description at the date of incorporation of the Company included among the activities of the transport undertaking of the Blackpool Borough Council ("the Council").

(ii) To acquire and take over all such property, rights or liabilities of the Council as may be pursuant to Section 68 of the Transport Act 1985 transferred to and vested in the Company.

(iii) To carry on all or any of the businesses of proprietors, operators, hirers and letters on hire of and dealers in motor coaches, omnibuses, lorries, vans, wagons, cars, tramcars, cabs, and other vehicles appropriate for the conveyance of passengers and goods, wares, merchandise and produce of all kinds, organisers and conductors of coach, omnibus and other vehicular journeys, stages, excursions, trips, tours and the like, travel and tourist agents and specialists, proprietors and operators of taxi-cabs and car hire services, carriers, transport, haulage and cartage contractors, designers, builders, constructors, and repairers of, agents for the sale and purchase, exchange, or hire of,



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8

and dealers in vehicles and conveyances of every description, proprietors of garages, repairing and other depots, insurance agents, dealers in petrol, motor spirit and other mineral oils and proprietors of stores and depots for the supply thereof, coach, carriage, and body builders, panel beaters, welders, cellulose and paint sprayers, painters, enamellers, wood and metal workers, motor, electrical, wireless, mechanical, consulting and general engineers, and engineering contractors, consulting wireless experts, designers, manufacturers, factors and repairers of and dealers in radio apparatus of all kinds, wireless service agents, manufacturers, fitters, maintainers, repairers and merchants of, agents for, and dealers in electrical apparatus, equipment, stores, articles and things of every description, proprietors and letters on hire of caravan and camping sites and all accommodation and conveniences required in connection therewith, restaurant and cafe keepers, refreshment caterers and contractors, proprietors of staff and other canteens, and rest and recreation rooms and general merchants, agents, factors and traders and to buy, sell, manufacture, install, maintain, repair, hire, let on hire, and deal in plant, machinery, engines, components, parts, tools, appliances, materials, accessories, articles, commodities, produce and things of all kinds and of every description capable of being used for the purposes of the foregoing businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

None of the objects set out in any paragraph of sub-clause 3(a) shall be restrictively construed but the widest

interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such paragraph, or by reference to or inference from the terms of any other paragraph or the name of the Company; and none of the paragraphs of sub-clause 3(a) and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such paragraph, and the Company shall have as full a power to exercise each and every one of the objects specified in each such paragraph as though it contained the objects of a separate company.

In furtherance of or in connection with the above objects and any of them but not further or otherwise the Company shall have the following powers:-

(b) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.

(c) 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, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, 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, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

(d) To acquire or 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 the 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 co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting 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.

(e) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

(f) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

(g) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the

Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

(h) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security 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, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

(i) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

(j) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department 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 calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly

to prejudice the Company's interests.

(k) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

(l) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

(m) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

(n) To promote any other company for the purpose of acquiring the whole or any part of the business or property or

undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the 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.

(o) 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.

(p) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

(q) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

(r) 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 or other securities of the Company.

(s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company

or its Directors or 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 and generally to provide advantages, facilities and services for 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, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants 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 dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

(t) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for

any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.

(u) To do all or any of the things and matters aforesaid either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

AND SO THAT:-

(1) The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

(2) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act or of the Transport Act 1985 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.

5. The Company's share capital is £1,000 divided into 1,000 shares of £1 each.

WE, the 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 description
of Subscribers

Number of shares taken
by each subscriber

SIGNED by James Ralph Hayes Battersby.....

(James Ralph Hayes Battersby)

One

The Penthouse Flat,

Erlesmere,

12 Clifton Drive,

Lytham St. Annes.

Director

SIGNED by John Bryan Turner.....

(John Bryan Turner)

One

24 East Beach,

Lytham St. Annes.

Solicitor

DATED this 5th day of March 1986

Witness to the above signatures:- Bernard Michael Greenhalgh.....

(Bernard Michael Greenhalgh)

15 Abbotsford Road,

Blackpool.

Legal Assistant.

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
BLACKPOOL TRANSPORT SERVICES LIMITED

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

(b) In these Articles:-

"the Act" means the Companies Act 1985.

"controlling authority" has the meaning given to it by Section 72 of the Transport Act 1985.

Any reference herein to any provision of the Act or the Transport Act 1985 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

(c) The Company is a public transport company within the meaning of Section 72 of the Transport Act 1985. Its affairs shall be conducted at all times in accordance with such provisions of the Transport Act 1985 as apply in relation thereto and in such manner as will ensure that the duties and obligations under that Act or the Company's controlling authority, in so far as they relate to the Company or any of its affairs are duly discharged.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraphs (b) and (c) and Article 10 (c) (i) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

(b) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company. No shares other than those taken by the subscribers of the Memorandum may be issued except to the Company's controlling authority.

(c) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

SHARES

3. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, 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 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, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

4. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

6. (a) Clause 40 in Table A shall be read and construed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.

(b) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half

an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(c) Clause 41 in Table A shall not apply to the Company.

REPRESENTATIVES

7. Without prejudice to the provisions of Section 375 of the Act, so long as the Blackpool Borough Council is a Member of the Company it may be represented at any General Meeting of the Company by the Chief Executive Officer for the time being of the Council, failing him such other duly authorised nominee of the Council. Such a representative is entitled to exercise the same powers on behalf of the Council as it could exercise if it were an individual shareholder of the Company and, without prejudice to the generality thereof, is a duly authorised representative of such corporation for the purpose of Clauses 40 and 54 in Table A.

APPOINTMENT OF DIRECTORS

8. (a) Clause 64 in Table A shall not apply to the Company.

(b) Subject to paragraph (g) below, the maximum number and minimum number respectively of the Directors may be determined from time to time by the controlling authority of the Company or by ordinary resolution. Subject to and in default of any such determination and subject to paragraph (g) below there shall be no maximum number of Directors and the minimum number of Directors shall be two.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) The controlling authority of the Company may, and the Company may by ordinary resolution, appoint a person who is

willing to act to be a Director either to fill a vacancy or as an Additional Director.

(e) The controlling authority of the Company may remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

(f) Any determination, appointment or removal pursuant to this Article by the controlling authority of the Company shall be effected by notice in writing signed on its behalf by any person duly authorised by it and deposited at the registered office of the Company or handed to the Secretary.

(g) (i) The Directors of the Company shall include no more than the permitted maximum number of persons who are not full-time employees of the Company prescribed pursuant to Section 73 of the Transport Act 1985.

(ii) Following the transfer to the Company of its initial undertaking, within the meaning of Section 73(2) of the Transport Act 1985, the Directors of the Company shall include not less than the required minimum number of persons who are full-time employees of the Company holding positions of responsibility for the management of the Company's business or any part of it prescribed pursuant to the said Section 73.

POWERS OF THE DIRECTORS

9. The Directors shall not make:-

(i) any decision relating to conditions and terms of service, pay and salary levels which would affect a Director

of the Company, or

(ii) any agreement, arrangement, determination of terms or decision to pay remuneration under Clause 84 in Table A, save with the prior approval in writing of the Company's controlling authority. Clause 84 in Table A shall be modified accordingly.

10. The Directors shall ensure that the Company:-

(a) does not engage in activities in which its controlling authority has no power to engage or permit any body corporate which is a subsidiary of the Company to engage in any such activities; provided that this paragraph (a) does not apply in relation to activities which were formerly within the powers of the Blackpool Borough Council, but have ceased to be so by virtue of Section 66(1) of the Transport Act 1985;

(b) does not:-

(i) borrow money from any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to borrow money from any person other than the Company, any other subsidiary of the Company or the controlling authority of the Company;

with the exception in each case of borrowing by way of temporary loan or overdraft; and

(c) does not:-

(i) raise money by the issue of shares (other than any shares taken by the subscribers of the Memorandum) or stock to any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to raise money by the issue of shares or stock to any person

other than the Company.

11. The Directors shall ensure that, save with the prior consent in writing of its controlling authority, the Company does not:-

(a) dispose of the whole of its undertaking;

(b) dispose of any shares in or other securities of a body corporate which is its subsidiary;

(c) dispose of any part of its undertaking or any of its assets (other than shares or securities within (b) above) where such disposal would or might affect materially the structure of its business or any part of such business, or is otherwise of significance for such business or any part thereof.

ALTERNATE DIRECTORS

12. The Directors shall not appoint alternate Directors. Clauses 65 to 69 (inclusive) in Table A shall not apply to the Company and all other Clauses in Table A referring to alternate Directors shall be modified accordingly.

DISQUALIFICATION OF DIRECTORS

13. The office of a Director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs and Clause 81 in Table A shall be modified accordingly.

GRATUITIES AND PENSIONS

14. (a) The Directors may exercise the powers of the Company conferred by Clause 3(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such power.

(b) Clause 87 in Table A shall not apply to the Company.

AUDITORS

15. The Company shall appoint only Auditors who are approved for such appointment by the Audit Commission for Local Authorities in England and Wales.

RECORDS AND DOCUMENTS

16. The controlling authority of the Company shall be entitled at the direction of its Borough Treasurer for the time being, to inspect all books of account, accounting records and supporting documents of the Company.

INDEMNITY

17. (a) Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or 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 judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 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 the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) Clause 118 in Table A shall not apply to the Company.

TRANSFER OF SHARES

18. Without prejudice to Clause 24 in Table A, the Directors

shall refuse to register the transfer of a share where under the Transport Act 1985 the consent of the Secretary of State is required for such transfer and such consent is not shown to have been given.

Names, addresses and descriptions of Subscribers

SIGNED by James Ralph Hayes Battersby

(James Ralph Hayes Battersby)

The Penthouse Flat,

Erlesmere,

12 Clifton Drive,

Lytham St. Annes.

Director

SIGNED by John Bryan Turner

(John Bryan Turner),

24 East Beach,

Lytham St. Annes.

Solicitor

DATED this 5th day of March 1986

Witness to the above signatures:- Bernard Michael Greenhalgh

(Bernard Michael Greenhalgh)

15 Abbotsford Road,

Blackpool.

Legal Assistant.

G

COMPANIES FORM No. 10

**Statement of first directors
and secretary and intended
situation of registered office****10**Please do not
write in
this margin

Pursuant to section 10 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

2003020

Name of company

* insert full name
of company

* BLACKPOOL TRANSPORT SERVICES LIMITED

The intended situation of the registered office of the company on incorporation is as stated below

P.O. Box 11, Town Hall, Blackpool

Postcode FY1 1NB

If the memorandum is delivered by an agent for the subscribers of the
memorandum please mark 'X' in the box opposite and insert
the agent's name and address below

X

Jordan and Sons Ltd., Jordan House,

Brunswick Place, London

Postcode N1 6EE

Number of continuation sheets attached (see note 1)

3

Presenter's name address and
reference (if any):
J.B. Turner, M.A., Solicitor
Company Secretary,
P.O. Box 11,
Town Hall,
Blackpool.
BMG/TRN/8/203

For official Use
General Section

The name(s) and particulars of the person who is, or the persons who are, to be the first director or directors of the company (note 2) are as follows:

Please do not write in this margin

Name (note 3) James Ralph Hayes Battersby		Business occupation
		Director
Previous name(s) (note 3)		Nationality
Address (note 4) The Penthouse Flat,		British
Erlesmere, 12 Clifton Drive,		Date of birth (where applicable)
Lytham St. Annes	Postcode	(note 6)
Other directorships † Blackpool and Fylde Business Agency Limited,		
Inward, Havelock Flats Limited, Terminus (Blackpool) Limited		
I consent to act as director of the company named on page 1		
Signature <i>JRH Battersby</i>		Date 5th March, 1986.

† enter particulars of other directorships held or previously held (see note 5) if this space is insufficient use a continuation sheet.

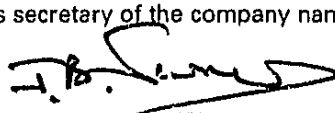
Name (note 3) Anthony Depledge		Business occupation
		Transport Manager
Previous name(s) (note 3)		Nationality
Address (note 4) 11 Orkney Road,		British
Blackpool		Date of birth (where applicable)
	Postcode	(note 6)
Other directorships † Terminus (Blackpool) Limited		
I consent to act as director of the company named on page 1		
Signature <i>A Depledge</i>		Date 5th March, 1986.

Name (note 3) David Charlesworth		Business occupation
		Shop Proprietor
Previous name(s) (note 3)		Nationality
Address (note 4) The Gables, 214 Hornby Road,		British
Blackpool.		Date of birth (where applicable)
	Postcode	(note 6)
Other directorships † Terminus (Blackpool) Limited		
I consent to act as director of the company named on page 1		
Signature <i>D Charlesworth</i>		Date 5th March, 1986.

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

The name(s) and particulars of the person who is, or the persons who are, to be the first secretary, or joint secretaries, of the company are as follows:

Name (notes 3 & 7) John Bryan Turner	
Previous name(s) (note 3)	
Address (notes 4 & 7) 24 East Beach, Lytham St. Annes	
	Postcode
I consent to act as secretary of the company named on page 1	
Signature 	Date 5th March, 1986.

Name (notes 3 & 7)	
Previous name(s) (note 3)	
Address (notes 4 & 7)	
	Postcode
I consent to act as secretary of the company named on page 1	
Signature	Date

delete if the form is
signed by the
subscribers

	5th March 1986
Signature of agent on behalf of subscribers	Date

delete if the form is
signed by an agent on
behalf of the
subscribers.

All the subscribers
must sign either
personally or by a
person or persons
authorised to sign
for them.

Signed	Date
Signed	Date
Signed	Date
Signed	Date
Signed	Date
Signed	Date

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold black lettering

* insert full name
of company

COMPANIES FORM No. 10 (cont.)

Statement of first directors and secretary and intended situation of registered office (continuation)

Continuation sheet No 1
to Form No. 10

Company number

2003020

Name of company

* **BLACKPOOL TRANSPORT SERVICES LIMITED**

Particulars of other directors (continued)

Name (note 3)	William Burgess	Business Occupation	Director
Previous name(s) (note 3)		Nationality	British
Address (note 4)	120 West Park Drive, Blackpool.	Date of birth (where applicable) (note 6)	
	Postcode		
I consent to act as director of the company named above (notes 9 and 10)			
Signature <i>William Burgess</i>		Date 5th March, 1986.	

Particulars of other directorships

Terminus (Blackpool) Limited

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Jordans
JORDAN & SONS LIMITED
JORDAN HOUSE
BRUNSWICK PLACE
LONDON W1 6EE
TELEPHONE 01 253 3030
TELEFAX 261010



† delete if
inappropriate

continued overleaf †

Please do not
write in
this margin

COMPANIES FORM No. 10 (cont.)

**Statement of first directors and
secretary and intended situation
of registered office (continuation)**

Continuation sheet No 2
to Form No. 10

Company number

2003020

Please complete
legibly, preferably
in black type, or
bold block lettering

Name of company

* insert full name
of company

* **BLACKPOOL TRANSPORT SERVICES LIMITED**

Particulars of other directors (continued)

Name (note 3)	Michael Steel Brennand	Business Occupation	Director
Previous name(s) (note 3)		Nationality	British
Address (note 4)	16 Gosforth Road,	Date of birth (where applicable) (note 8)	
	Blackpool		
	Postcode		
I consent to act as director of the company named above (notes 9 and 10)			
Signature M.S. Brennand.		Date 5th March, 1986.	

Particulars of other directorships

**Terminus (Blackpool) Limited
Fylde Butcher Supplies Ltd.
Medway Ingredient Supplies Ltd.
Fylde Computer Services (1985) Ltd.**

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TELEX 261010



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inappropriate

continued overleaf †

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write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

* insert full name
of company

COMPANIES FORM No. 10 (cont.)

Statement of first directors and secretary and intended situation of registered office (continuation)

Continuation sheet No 3
to Form No. 10

Company number

2003020

Name of company

* **BLACKPOOL TRANSPORT SERVICES LIMITED**

Particulars of other directors (continued)

Name (note 3)	Derek Wardman	Business Occupation	Accountant
Previous name(s) (note 3)		Nationality	British
Address (note 4)	65 Longhouse Lane, Poulton-le-Fylde.	Date of birth (where applicable) (note 6)	
	Postcode		
I consent to act as director of the company named above (notes 9 and 10)			
Signature Derek Wardman		Date 5 March 1986	

Particulars of other directorships

Blackpool Operating Company Limited

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JORDAN & SONS LIMITED
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LONDON N1 6EE
TELEPHONE 01 253 3030
TELEX 261010



† delete if
inappropriate

continued overleaf †

FILE COPY



CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

No.

2003020

I hereby certify that

BLACKPOOL TRANSPORT SERVICES LIMITED

is this day incorporated under the Companies Act 1985 as a
private company and that the Company is limited.

Given under my hand at the Companies Registration Office,
Cardiff the

21ST MARCH 1986

C. R. Williams
MRS. C. R. WILLIAMS

an authorised officer

G

COMPANIES FORM No. 224

Notice of accounting reference date (to be delivered within 6 months of incorporation)

224

Please do not
write in
this margin

Pursuant to section 224 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

[] [] [] [] [] [] [] [] [] []

2003020

Name of company

* BLACKPOOL TRANSPORT SERVICES LIMITED

* Insert full name
of company

gives notice that the date on which the company's accounting reference period is to be treated as coming to an end in each successive year is as shown below:

Important
The accounting
reference date to
be entered along-
side should be
completed as in the
following examples:

Day Month

3 0 0 9

5 April
Day Month

0 5 0 4

30 June
Day Month

3 0 0 6

31 December
Day Month

3 1 1 2

† Delete as
appropriate

Signed

J. B. Turner

[Director][Secretary]† Date

10 June 1986

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JORDAN & SONS LIMITED
JORDAN HOUSE
BRUNSWICK PLACE
LONDON N1 6EE
TELEPHONE 01 253 3030
TELEX 261010



Presenter's name address and
reference (if any):

J.B. Turner M.A. Solicitor
Company Secretary
P.O. Box 11
Town Hall
Blackpool FY1 1NB

CP/TRN8/205

For official Use

General Section

Post room

THE COMPANIES ACT 1985

COMPANY NUMBER 2003020 / 9

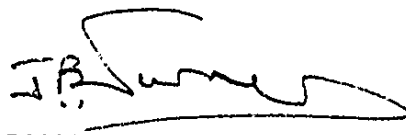
04
13

SPECIAL RESOLUTIONS OF BLACKPOOL TRANSPORT SERVICES LIMITED passed the
Twenty seventh day of October 1986.

At a General Meeting of the members of the above-named Company
(with Mr. D. Wardman acting as the authorised agent for Blackpool
Borough Council) duly convened and held at the Town Hall Blackpool in
the County of Lancashire on the twenty seventh day of October 1986 the
following Special Resolutions were duly passed :-

- (1) To increase the registered share capital of the Company
by £3,499,000 beyond the registered share capital of £1,000.
- (2) To issue to Blackpool Borough Council in consideration of
assets transferred to the Company under the Blackpool
Borough Council Transport Undertaking (Part) Transfer
Scheme 1986 2,788,998 fully paid up Ordinary Shares of
£1.00 each.

It was further agreed that the above resolutions should, pursuant to
Regulation 38 of the Articles of Association of the Company, for
all purposes be deemed as valid and effective and if the same had
been passed as special resolutions notwithstanding twenty-one days'
clear notice of the intention to propose and pass the same had not
been given.



(JOHN BRYAN TURNER)
(COMPANY SECRETARY)



G

COMPANIES FORM No. 123

**Notice of increase
in nominal capital****123**Please do not
write in
this margin

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

1/10

2003020

Name of company

* BLACKPOOL TRANSPORT SERVICES LIMITED

* Insert full name
of company

gives notice in accordance with section 123 of the above Act that by resolution of the company
dated 27th October 1986 the nominal capital of the company has been
increased by £ 3,499,000.00 beyond the registered capital of £ 1,000.00

§ the copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached. §

The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new
shares have been or are to be issued are as follow:

None

Please tick here if
continued overleaf† delete as
appropriate

Signed

[Director] [Secretary] † Date
J. B. TURNER

4th November 1986

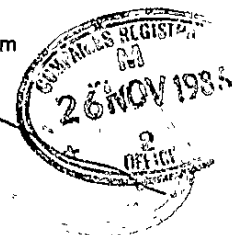
Ref:

Presenter's name address and
reference (if any):

GP/JBT/TRN/8/203
J. B. Turner
Company Secretary
P.O. Box 11
Town Hall
BLACKPOOL FY1 1NB

For official Use
General Section

Post room



16/12

2003020 / 12

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM AND
ARTICLES OF ASSOCIATION OF

BLACKPOOL TRANSPORT SERVICES LIMITED



THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

BLACKPOOL TRANSPORT SERVICES LIMITED

1. The Company's name is "Blackpool Transport Services Limited".

2. The Company's registered office is to be situated in England.

3. The Company's objects are:-

(a) (i) To carry on activities of any description at the date of incorporation of the Company included among the activities of the transport undertaking of the Blackpool Borough Council ("the Council").

(ii) To acquire and take over all such property, rights or liabilities of the Council as may be pursuant to Section 68 of the Transport Act 1985 transferred to and vested in the Company.

(iii) To carry on all or any of the businesses of proprietors, operators, hirers and letters on hire of and dealers in motor coaches, omnibuses, lorries, vans, wagons, cars, tramcars, cabs, and other vehicles appropriate for the conveyance of passengers and goods, wares, merchandise and produce of all kinds, organisers and conductors of coach, omnibus and other vehicular journeys, stages, excursions, trips, tours and the like, travel and tourist agents and specialists, proprietors and operators of taxi-cabs and car hire services, carriers, transport, haulage and cartage contractors, designers, builders, constructors, and repairers of, agents for the sale and purchase, exchange, or hire of,

and dealers in vehicles and conveyances of every description, proprietors of garages, repairing and other depots, insurance agents, dealers in petrol, motor spirit and other mineral oils and proprietors of stores and depots for the supply thereof, coach, carriage, and body builders, panel beaters, welders, cellulose and paint sprayers, painters, enamellers, wood and metal workers, motor, electrical, wireless, mechanical, consulting and general engineers, and engineering contractors, consulting wireless experts, designers, manufacturers, factors and repairers of and dealers in radio apparatus of all kinds, wireless service agents, manufacturers, fitters, maintainers, repairers and merchants of, agents for, and dealers in electrical apparatus, equipment, stores, articles and things of every description, proprietors and letters on hire of caravan and camping sites and all accommodation and conveniences required in connection therewith, restaurant and cafe keepers, refreshment caterers and contractors, proprietors of staff and other canteens, and rest and recreation rooms and general merchants, agents, factors and traders and to buy, sell, manufacture, install, maintain, repair, hire, let on hire, and deal in plant, machinery, engines, components, parts, tools, appliances, materials, accessories, articles, commodities, produce and things of all kinds and of every description capable of being used for the purposes of the foregoing businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

None of the objects set out in any paragraph of sub-clause 3(a) shall be restrictively construed but the widest

and dealers in vehicles and conveyances of every description, proprietors of garages, repairing and other depots, insurance agents, dealers in petrol, motor spirit and other mineral oils and proprietors of stores and depots for the supply thereof, coach, carriage, and body builders, panel beaters, welders, cellulose and paint sprayers, painters, enamellers, wood and metal workers, motor, electrical, wireless, mechanical, consulting and general engineers, and engineering contractors, consulting wireless experts, designers, manufacturers, factors and repairers of and dealers in radio apparatus of all kinds, wireless service agents, manufacturers, fitters, maintainers, repairers and merchants of, agents for, and dealers in electrical apparatus, equipment, stores, articles and things of every description, proprietors and letters on hire of caravan and camping sites and all accommodation and conveniences required in connection therewith, restaurant and cafe keepers, refreshment caterers and contractors, proprietors of staff and other canteens, and rest and recreation rooms and general merchants, agents, factors and traders and to buy, sell, manufacture, install, maintain, repair, hire, let on hire, and deal in plant, machinery, engines, components, parts, tools, appliances, materials, accessories, articles, commodities, produce and things of all kinds and of every description capable of being used for the purposes of the foregoing businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

None of the objects set out in any paragraph of sub-clause 3(a) shall be restrictively construed but the widest

interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such paragraph, or by reference to or inference from the terms of any other paragraph or the name of the Company; and none of the paragraphs of sub-clause 3(a) and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such paragraph, and the Company shall have as full a power to exercise each and every one of the objects specified in each such paragraph as though it contained the objects of a separate company.

In furtherance of or in connection with the above objects and any of them but not further or otherwise the Company shall have the following powers:-

(b) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.

(c) 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, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, 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, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

(d) To acquire or 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 the 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 co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting 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.

(e) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

(f) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

(g) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the

Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

(h) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security 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, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

(i) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

(j) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department 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 calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly

to prejudice the Company's interests.

(k) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

(l) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

(m) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

(n) To promote any other company for the purpose of acquiring the whole or any part of the business or property or

undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the 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.

(o) 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.

(p) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

(q) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

(r) 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 or other securities of the Company.

(s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company

or its Directors or 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 and generally to provide advantages, facilities and services for 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, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants 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 dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

(t) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for

any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.

(u) To do all or any of the things and matters aforesaid either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

AND SO THAT:-

(1) The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

(2) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act or of the Transport Act 1985 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.

5. The Company's share capital is £3,500,000 divided into 3,500,000 shares of £1 each.

WE, the 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 description of Subscribers	Number of shares taken by each subscriber
--	--

SIGNED by

(James Ralph Hayes Battersby) One

The Penthouse Flat,

Erlesmere,

12 Clifton Drive,

Lytham St. Annes.

Director

SIGNED by

(John Bryan Turner) One

24 East Beach,

Lytham St. Annes.

Solicitor

DATED this day of 1986

Witness to the above signatures:-

(Bernard Michael Graenhalgh)

15 Abbotsford Road,

Blackpool.

Legal Assistant.

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
BLACKPOOL TRANSPORT SERVICES LIMITED

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

(b) In these Articles:-

"the Act" means the Companies Act 1985.

"controlling authority" has the meaning given to it by Section 72 of the Transport Act 1985.

Any reference herein to any provision of the Act or the Transport Act 1985 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

(c) The Company is a public transport company within the meaning of Section 72 of the Transport Act 1985. Its affairs shall be conducted at all times in accordance with such provisions of the Transport Act 1985 as apply in relation thereto and in such manner as will ensure that the duties and obligations under that Act of the Company's controlling authority, in so far as they relate to the Company or any of its affairs are duly discharged.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraphs (b) and (c) and Article 10 (c) (i) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

(b) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company. No shares other than those taken by the subscribers of the Memorandum may be issued except to the Company's controlling authority.

(c) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

SHARES

3. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, 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 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, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

4. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

6. (a) Clause 40 in Table A shall be read and construed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.

(b) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half

an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(c) Clause 41 in Table A shall not apply to the Company.

REPRESENTATIVES

7. Without prejudice to the provisions of Section 375 of the Act, so long as the Blackpool Borough Council is a Member of the Company it may be represented at any General Meeting of the Company by the Chief Executive Officer for the time being of the Council, failing him such other duly authorised nominee of the Council. Such a representative is entitled to exercise the same powers on behalf of the Council as it could exercise if it were an individual shareholder of the Company and, without prejudice to the generality thereof, is a duly authorised representative of such corporation for the purpose of Clauses 40 and 54 in Table A.

APPOINTMENT OF DIRECTORS

8. (a) Clause 64 in Table A shall not apply to the Company.

(b) Subject to paragraph (g) below, the maximum number and minimum number respectively of the Directors may be determined from time to time by the controlling authority of the Company or by ordinary resolution. Subject to and in default of any such determination and subject to paragraph (g) below there shall be no maximum number of Directors and the minimum number of Directors shall be two.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) The controlling authority of the Company may, and the Company may by ordinary resolution, appoint a person who is

willing to act to be a Director either to fill a vacancy or as an additional Director.

(e) The controlling authority of the Company may remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

(f) Any determination, appointment or removal pursuant to this Article by the controlling authority of the Company shall be effected by notice in writing signed on its behalf by any person duly authorised by it and deposited at the registered office of the Company or handed to the Secretary.

(g) (i) The Directors of the Company shall include no more than the permitted maximum number of persons who are not full-time employees of the Company prescribed pursuant to Section 73 of the Transport Act 1985.

(ii) Following the transfer to the Company of its initial undertaking, within the meaning of Section 73(2) of the Transport Act 1985, the Directors of the Company shall include not less than the required minimum number of persons who are full-time employees of the Company holding positions of responsibility for the management of the Company's business or any part of it prescribed pursuant to the said Section 73.

POWERS OF THE DIRECTORS

9. The Directors shall not make:-

(i) any decision relating to conditions and terms of service, pay and salary levels which would affect a Director

of the Company, or

(ii) any agreement, arrangement, determination of terms or decision to pay remuneration under Clause 84 in Table A, save with the prior approval in writing of the Company's controlling authority. Clause 84 in Table A shall be modified accordingly.

10. The Directors shall ensure that the Company:-

(a) does not engage in activities in which its controlling authority has no power to engage or permit any body corporate which is a subsidiary of the Company to engage in any such activities; provided that this paragraph (a) does not apply in relation to activities which were formerly within the powers of the Blackpool Borough Council, but have ceased to be so by virtue of Section 66(1) of the Transport Act 1985;

(b) does not:-

(i) borrow money from any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to borrow money from any person other than the Company, any other subsidiary of the Company or the controlling authority of the Company; with the exception in each case of borrowing by way of temporary loan or overdraft; and

(c) does not:-

(i) raise money by the issue of shares (other than any shares taken by the subscribers of the Memorandum) or stock to any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to raise money by the issue of shares or stock to any person

other than the Company.

11. The Directors shall ensure that, save with the prior consent in writing of its controlling authority, the Company does not:-

(a) dispose of the whole of its undertaking;

(b) dispose of any shares in or other securities of a body corporate which is its subsidiary;

(c) dispose of any part of its undertaking or any of its assets (other than shares or securities within (b) above) where such disposal would or might affect materially the structure of its business or any part of such business, or is otherwise of significance for such business or any part thereof.

ALTERNATE DIRECTORS

12. The Directors shall not appoint alternate Directors.

Clauses 65 to 69 (inclusive) in Table A shall not apply to the Company and all other Clauses in Table A referring to alternate Directors shall be modified accordingly.

DISQUALIFICATION OF DIRECTORS

13. The office of a Director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs and Clause 81 in Table A shall be modified accordingly.

GRATUITIES AND PENSIONS

14. (a) The Directors may exercise the powers of the Company conferred by Clause 3(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such power.

(b) Clause 87 in Table A shall not apply to the Company.

AUDITORS

15. The Company shall appoint only Auditors who are approved for such appointment by the Audit Commission for Local Authorities in England and Wales.

RECORDS AND DOCUMENTS

16. The controlling authority of the Company shall be entitled at the direction of its Borough Treasurer for the time being, to inspect all books of account, accounting records and supporting documents of the Company.

INDEMNITY

17. (a) Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or 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 judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 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 the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) Clause 118 in Table A shall not apply to the Company.

TRANSFER OF SHARES

18. Without prejudice to Clause 24 Table A, the Directors

shall refuse to register the transfer of a share where under the Transport Act 1985 the consent of the Secretary of State is required for such transfer and such consent is not shown to have been given.

Names, addresses and descriptions of Subscribers

SIGNED by

(James Ralph Hayes Battersby)

The Penthouse Flat,

Erlesmere,

12 Clifton Drive,

Lytham St. Annes.

Director

SIGNED by

(John Bryan Turner),

24 East Beach,

Lytham St. Annes.

Solicitor

DATED this day of / 1986

Witness to the above signatures:-

(Bernard Michael Greenhalgh)

15 Abbotsford Road,

Blackpool.

Legal Assistant.

001ALN

G

COMPANIES FORM No. 225(1)

225(1)

Notice of new accounting reference date given during the course of an accounting reference period

Please do not write in this margin

Pursuant to section 225(1) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold black lettering

To the Registrar of Companies

For official use

Company number

--	--	--	--

2003020

Name of company

* BLACKBOW TRANSPORT SERVICES LTD.

* insert full name of company

gives notice that the company's new accounting reference date on which the current accounting reference period and each subsequent accounting reference period of the company is to be treated as coming, or as having come, to an end is as shown below:

Note
Please read notes 1 to 5 overleaf before completing this form

Day Month

3	1	0	3
---	---	---	---

† delete as appropriate

The current accounting reference period of the company is to be treated as ~~shortened~~ [extended]† and ~~is to be treated as having come to an end~~ [will come to an end]† on

Day Month Year

3	1	0	3	1	9	8	8
---	---	---	---	---	---	---	---

If this notice states that the current accounting reference period of the company is to be extended, and reliance is being placed on section 225(6)(c) of the Companies Act 1985, the following statement should be completed:

See note 4c and complete as appropriate

The company is a [subsidiary] [holding company]† of _____

_____, company number _____

the accounting reference date of which is _____

Signed

T. R. Coak

[Director] [Secretary]† Date 8 JUL 1987

PRINTED AND SUPPLIED BY

Jordans

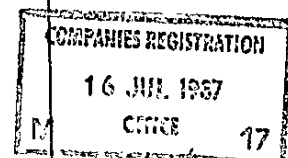
JORDAN & SONS LIMITED
JORDAN HOUSE
BRUNSWICK PLACE
LONDON N1 8EE
TELEPHONE 01 253 3030
TELEX 261010



Presentor's name address and reference (if any):

For official Use
General Section

Post room



THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
BLACKPOOL TRANSPORT SERVICES LIMITED

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

(b) In these Articles:-

"the Act" means the Companies Act 1985.

"controlling authority" has the meaning given to it by Section 72 of the Transport Act 1985.

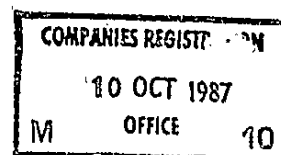
Any reference herein to any provision of the Act or the Transport Act 1985 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

(c) The Company is a public transport company within the meaning of Section 72 of the Transport Act 1985. Its affairs shall be conducted at all times in accordance with such provisions of the Transport Act 1985 as apply in relation thereto and in such manner as will ensure that the duties and obligations under that Act of the Company's controlling authority, in so far as they relate to the Company or any of its affairs are duly discharged.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraphs (b) and (c) and Article 10 (c) (i) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

(b) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company. No shares other than those taken by the subscribers of the Memorandum may be issued except to the Company's controlling authority.



(e) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

SHARES

3. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, 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 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, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

4. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Clause 13 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

6. (a) Clause 40 in Table A shall be read and construed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.

(b) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.

(c) Clause 41 in Table A shall not apply to the Company.

REPRESENTATIVES

7. Without prejudice to the provision of Section 375 of the Act, so long as the Blackpool Borough Council is a Member of the Company it may be represented at any General Meeting of the Company by the Chief Executive Officer for the time being of the Council, failing him such other duly authorised nominee of the Council. Such a representative is entitled to exercise the same powers on behalf of the Council as it could exercise if it were an individual shareholder of the Company and, without prejudice to the generality thereof, is a duly authorised representative of such corporation for the purpose of Clauses 40 and 54 in Table A.

APPOINTMENT OF DIRECTORS

8. (a) Clause 64 in Table A shall not apply to the Company.

(b) Subject to paragraph (g) below, the maximum number and minimum number respectively of the Directors may be determined from time to time by the controlling authority of the Company or by ordinary resolution. Subject to and in default of any such determination and subject to paragraph (g) below there shall be no maximum number of Directors and the minimum number of Directors shall be two.

(c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) The controlling authority of the Company may, and the Company may by ordinary resolution, appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.

(e) The controlling authority of the Company may remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

(f) Any determination, appointment or removal pursuant to this Article by the controlling authority of the Company shall be effected by notice in writing signed on its behalf by any person duly authorised by it and deposited at the registered office of the Company or handed to the Secretary.

- (g) (i) The Directors of the Company shall include no more than the permitted maximum number of persons who are not full-time employees of the Company prescribed pursuant to Section 73 of the Transport Act 1985.
- (ii) Following the transfer to the Company of its initial undertaking, within the meaning of Section 73 (2) of the Transport Act 1985, the Directors of the Company shall include not less than the required minimum number of persons who are full-time employees of the Company holding positions of responsibility for the management of the Company's business or any part of it prescribed pursuant to the said Section 73.

POWERS OF THE DIRECTORS

9. The Directors shall ensure that the Company:-

(a) does not engage in activities in which its controlling authority has no power to engage or permit any body corporate which is a subsidiary of the Company to engage in any such activities; provided that this paragraph (a) does not apply in relation to activities which were formerly within the powers of the Blackpool Borough Council, but have ceased to be so by virtue of Section 66(1) of the Transport Act 1985;

(b) does not:-

(i) borrow money from any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to borrow money from any person other than the Company, any other subsidiary of the Company or the controlling authority of the Company;

with the exception in each case of borrowing by way of temporary loan or overdraft; and

(c) does not:-

(i) raise money by the issue of shares (other than any shares taken by the subscribers of the Memorandum) or stock to any person other than its controlling authority; or

(ii) permit any body corporate which is its subsidiary to raise money by the issue of shares or stock to any person other than the Company.

10. The Directors shall ensure that, save with the prior consent in writing of its controlling authority, the Company does not:-

- (a) dispose of the whole of its undertakings;
- (b) dispose of any shares in or other securities of a body corporate which is its subsidiary;
- (c) dispose of any part of its undertaking or any of its assets (other than shares or securities within (b) above) where such disposal would or might affect materially the structure of its business or any part of such business, or is otherwise of significance for such business or any part thereof.

ALTERNATE DIRECTORS

11. The Directors shall not appoint alternate Directors. Clauses 65 to 69 (inclusive) in Table A shall not apply to the Company and all other Clauses in Table A referring to alternate Directors shall be modified accordingly.

DISQUALIFICATION OF DIRECTORS

12. The office of a Director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs and Clause 81 in Table A shall be modified accordingly.

GRATUITIES AND PENSIONS

13 (a) The Directors may exercise the powers of the Company conferred by Clause 3(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such power.

(b) Clause 87 in Table A shall not apply to the Company.

AUDITORS

14. The Company shall appoint only Auditors who are approved for such appointment by the Audit Commission for Local Authorities in England and Wales

RECORDS AND DOCUMENTS

15. The controlling authority of the Company shall be entitled at the direction of its Borough Treasurer for the time being, to inspect all books of account, accounting records and supporting documents of the Company.

INDEMNITY

16. (a) Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or 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 144 or Section 727 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 the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) Clause 118 in Table A shall not apply to the Company.

TRANSFER OF SHARES

17. Without Prejudice to Clause 24 Table A, the Directors shall refuse to register the transfer of a share where under the Transport Act 1985 the consent of the Secretary of State is required for such transfer and such consent is not shown to have been given.

Managing Director



Secretary



CERTIFIED COPY OF THE SPECIAL RESOLUTION
TO AMEND THE ARTICLES OF ASSOCIATION
PASSED BY THE ANNUAL GENERAL MEETING
ON THE 24th SEPTEMBER, 1987

The Special resolution:

That Clause 9 of the Articles of Association be deleted,
was passed by the meeting.

Clause 9 states:-

The Directors shall not make:

- (i) any decision relating to conditions and terms of service, pay and salary levels which would affect a Director of the Company or
- (ii) any agreement, arrangement, determination of terms or decision to pay remuneration under Clause 84 in Table A, save with prior approval in writing of the Company's controlling authority. Clause 84 in Table A shall be modified accordingly.

Managing Director



Secretary

