

Company Number: 2003546

THE COMPANIES ACTS 1985 TO 2006

AN UNLIMITED COMPANY HAVING A SHARE CAPITAL

MEMORANDUM

and

ARTICLES OF ASSOCIATION

of



BUS & COACH LEASING

(Incorporated 25 March 1986)



**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

No. 2003546

I hereby certify that

KIRKBY LEASING LIMITED

having by special resolution changed its name,
is now incorporated under the name of

BUS & COACH LEASING LIMITED

Given under my hand at the Companies Registration Office,
Cardiff the 9 OCTOBER 1987


MRS. C. R. WILLIAMS

an authorised officer



CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME

No. 2003546

I hereby certify that

MARKBARTER LIMITED

having by special resolution changed its name, is now

incorporated under the name of

KIRKBY LEASING LIMITED

Given under my hand at the Companies Registration Office,

Cardiff the

10TH JULY 1986

M. Moss.
MRS. M. MOSS

an authorised officer



CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY

No. 2003546

I hereby certify that

MARKBARTER 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

25TH MARCH 1986

A handwritten signature in cursive script, appearing to read 'M. Saunders'.

M. SAUNDERS (MRS)

an authorised officer

THE COMPANIES ACTS 1985 to 2006
AN UNLIMITED COMPANY HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION

Adopted by Special Resolution passed on 2009
of

Bus & Coach Leasing

1. The Company's name is "Bus & Coach Leasing".
2. The Company's Registered Office is to be situated in England and Wales.
3. The Company's objects are: -
 - (A) To carry on all or any of the businesses of a general and commercial leasing company, hirers, letters on hire, importers and exporters, manufacturers, retailers, wholesalers, buyers, sellers, distributors, and shippers of, and dealers in all products, articles, goods and equipment of every description, general merchants and traders, cash and credit traders, manufacturers' agents and representatives, insurance brokers and consultants, estate and advertising agents, mortgage brokers, financial agents, advisers, managers and administrators, hire purchase and general financiers, brokers and agents, commission agents, to participate in, undertake, perform and carry on all kinds of commercial, industrial, trading and financial operations and enterprises, to carry on all or any of the businesses of marketing and business consultants, advertising agents and contractors, general storekeepers, warehousemen, discount traders, mail order specialists, railway, shipping and forwarding agents, shippers, traders, capitalists and financiers either on the Company's own account or otherwise, printers and publishers, haulage and transport contractors, garage proprietors, operators, hirers and letters on hire of, and dealers in motor and other vehicles, craft, plant, machinery, tools and equipments of all kinds, and to purchase or otherwise acquire and take over any businesses or undertakings which may be deemed expedient, or to become interested in and to carry on or dispose of, remove or put an end to the same or otherwise deal with any such businesses or undertakings as may be thought desirable.

- (b) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
- (c) 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.
- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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).

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- (i) 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.
- (j) 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.
- (k) 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.
- (l) 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.
- (m) 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.
- (n) 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.
- (o) 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.

- (p) 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.
- (q) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (r) 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.
- (s) 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.
- (t) 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.
- (u) 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.
- (v) To distribute among the Members of the Company in kind any property of the Company of whatever nature.

(W) To procure the Company to be registered or recognised in any part of the world.

(X) To do all or any of the things or matters aforesaid in any part of the world and 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.

(Y) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that: -

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed by 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 sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
- (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate company.
- (3) 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.
- (4) 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 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 Company's share capital is £2 divided into 1 "A" Ordinary share of £1 each and 1 "B" Ordinary share of £1.00 each

THE COMPANIES ACTS 1985 to 2006

"A"

AN UNLIMITED COMPANY HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

Adopted by Special Resolution passed on

2009

of

Bus & Coach Leasing

PRELIMINARY

1.

- (i) The regulations contained in The Companies Act 1985 Table A (as amended so as to affect companies first registered on the date of the adoption of these Articles) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company
- (ii) The following regulations of Table A shall not apply to the Company, namely: - 24, 41, 64, 71, 73, 74, 75, 76, 77, 78, 79, 80, 81, 85, 87, 91, 94, 95, 96, 97, and 118.

2. Words and expressions defined in Table A shall except insofar as the context otherwise requires have the same meanings in these Articles.

SHARE CAPITAL

3. The Company is an unlimited company having a share capital and accordingly:

(i) Any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company is prohibited; and

(ii) Any allotment or agreement for the allotment (whether for cash or otherwise) of any shares in or debentures of the Company with a view to all or any of those shares being offered for sale to the public is prohibited.

4. The authorised share capital of the company at the date of the adoption of these Articles is £2.00 divided into 1 "A" Share of £1.00 (hereinafter referred to as "A" Shares) and 1 "B" Share of £1.00 (hereinafter referred to as "B" Shares). Except only as hereinafter expressly provided all the said shares shall rank pari passu in all respects.

LIEN

5. The lien conferred by regulation 8 of Table A shall attach to all shares, whether fully paid or not, 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. Regulation 8 of Table A shall be modified accordingly.

SHARES AND ALTERATION OF CAPITAL

6. The liability of any member in default of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".
7. Subject to the provisions of Article 8 hereof, the Directors of the Company are unconditionally authorised during the period of five years from the date of the adoption of these Articles to allot, grant options over or otherwise dispose of such (if any) of the shares of the Company as remain to be issued to such persons (whether or not members of the Company), for such consideration, on such terms, in such manner and at such time as they consider appropriate, up to the amount of the authorised share capital of the Company existing at the date of the adoption of these Articles. Provided always that, save as permitted by law, nothing in this Article shall authorise the allotment or issue of shares in the Company at a discount. To the extent permitted by Section 9 (1) of the Act, Sections 89 (1) and 90 (1) to (6) inclusive of the Act are hereby excluded from applying to the Company.
8. (1) Unless the Company shall by Special Resolution otherwise direct any unissued "A" Shares which the Directors resolve to offer for subscription shall be offered in the first instance to the holders for the time being of the existing issued "A" Shares in proportion (as nearly as may be) to the number of "A" Shares held by them respectively.
(2) Every such offer shall be made in writing and shall specify:-
 - (a) the aggregate number of "A" Shares which the Directors propose to issue and allot;
 - (b) the terms (including the price per share) on which the Directors propose to issue and allot the "A" Shares;
 - (c) the number of "A" Shares offered to the relevant member (in this Article called the "proportionate entitlement") and shall be accompanied by forms of application for use by the member in applying for the proportionate entitlement and for any "A" Shares in excess of the proportionate entitlement to which he is prepared to subscribe (in this Article called "excess shares").
- (3) Every such offer shall be open for acceptance in whole or in part within twenty one days from the date of its despatch. An acceptance in respect of shares comprised in a member's proportionate entitlement or an application for excess shares shall only be valid to the extent that payment in full for the shares accepted and for the excess shares

- (4) At the expiration of such twenty one days the Directors shall allocate the shares offered in the following manner:-
- (a) to each member there shall be allotted his proportionate entitlement or such lesser number of "A" Shares for which he may have applied;
 - (b) if the number of any shares which remain unallotted is less than the number of shares for which excess applications have been made, the unallotted shares shall be allotted (as nearly as may be) in the proportions which the applications for excess shares bear to one another;
 - (c) if the number of any shares which remain unallotted equals or is greater than the number of shares for which excess applications have been made, each member who has applied for excess shares shall be allotted the number of excess shares for which he applied.
- (5) If any "A" Shares offered pursuant to paragraph (1) above remain unallotted pursuant to paragraph (4) above, the Directors shall thereupon offer such remaining "A" Shares to the holders for the time being of the existing "B" Shares in accordance with paragraphs (2), (3) and (4) above.
- (6) The Directors may dispose of any "A" Shares offered which remain unallotted pursuant to paragraphs (4) and (5) of this Article to any person at a price not less than that at which the shares were initially offered to the members.

TRANSFER OF SHARES

9. (1) A member holding or other person entitled to transfer "A" Shares may transfer all (but not some) of such shares registered in his name or which he is entitled to transfer:-
- (a) in the case of a personal representative of a deceased member, to another personal representative of the same estate;
 - (b) in the case of a trustee of a trust to the beneficiaries or to another trustee of that trust;
 - (c) in the case of a member which is a Company, to any other Company (in this Article called an "Associate Company") which is a holding Company of that member or which is another subsidiary of such a holding Company (the expression "subsidiary" and "holding Company" having the meanings given to them in Section 736 of the Companies Act 1985)
- but, except as provided above, no "A" Share shall (unless in any particular case all the holders for the time being of shares in the Company otherwise agree in writing) be transferred except in accordance with the remaining provisions of this Article.
- (2) If an Associate Company to which "A" Shares have been transferred pursuant to paragraph (1) (c) of this Article ceases to be so associated with the Company which transferred such shares and does not, prior to its so ceasing, transfer the "A" Shares registered in

its name to such Company such Associate Company shall be deemed to have given a transfer notice under paragraph (3) of this Article in respect of the "A" Shares registered in its name and to have included in its transfer notice as the offer price (as defined in paragraph (3) of this Article) such a sum as the Auditors shall determine in accordance with paragraph (7) of this Article.

- (3) Except where the transfer is made pursuant to paragraph (1) or (13) of this Article, the person proposing to transfer the "A" Shares registered in his name (in this Article called the "proposing transferor") shall give notice in writing (in this Article called a "transfer notice") to the Company that he wishes to transfer his shares. Such notice shall specify the price per share at which he is prepared to sell his shares (in this Article called the "offer price") and shall constitute the Company his agent for the sale of the shares to any member or members of the Company willing to purchase them (in this Article called the "purchasing members") in accordance with this Article. A transfer notice shall relate to all (but not some) of the "A" Shares registered in the name of the proposing transferor. A transfer notice shall not be revocable.
- (4) On receipt by the Company of a transfer notice it will, within seven days, offer the shares comprised in the transfer notice to all the other holders of "A" Shares in proportion (as nearly as may be) to the number of "A" Shares held by them respectively. Every such offer shall be made in writing specifying the number of shares offered (in this Article called the "proportionate entitlement") and shall be accompanied by forms of application for use by the member in applying for his proportionate entitlement and for any shares in excess of such entitlement which he is prepared to purchase (in this Article called "excess shares"). Every such offer shall be open for acceptance in whole or in part within twenty one days from the date of its despatch. Every form of application completed by a member pursuant to any such offer shall state whether, in respect of all (but not some) of the shares applied for, the member is prepared to accept the offer price or requires a fair value to be agreed between the proposing transferor and the purchasing member or to be fixed by the Auditors of the Company in accordance with paragraph (7) of this Article.
- (5) At the expiration of twenty one days, the Directors shall allocate the "A" Shares comprised in the transfer notice in the following manner:-
 - (a) to each purchasing member there shall be allocated his proportionate entitlement or such lesser number of shares for which he may have applied;
 - (b) if the number of any shares which remain unallocated is not less than the number of shares for which excess applications have been made, the unallocated shares shall be allocated (as nearly as may be) in the proportions which the applications for excess shares bear to one another;
 - (c) if the number of any shares which remain unallocated equals or is greater than the number of shares for which excess applications have been made, each purchasing member who has applied for excess shares shall be allocated the number of excess shares for which he applied.

- (6) Within seven days of the expiry of the twenty one day period under paragraph (4) of this Article in which applications from purchasing members can be made, the Company will notify the proposing transferor and all purchasing members of the details of the applications which have been made and of the allocations made as between purchasing members under paragraph (5) of this Article.
- (7) If any purchasing member states in his application that he is not prepared to accept the offer price, such purchasing member and the proposing transferor shall as soon as practicable endeavour to agree the fair value ("the agreed value") of the shares in question. Failing such agreement within 21 days following the receipt by the Company of the said application, the Company shall arrange that the Auditors shall certify in writing the sum which, in their opinion, is the fair value of a share and such sum shall be deemed to be the fair value. In so certifying, the Auditors shall be considered to be acting as experts and not as arbitrators and accordingly the Arbitration Acts 1950-79 or any statutory re-enactment or modification thereof for the time being in force shall not apply. The cost of obtaining such Auditors' Certificate shall be borne by those purchasing members who have required a fair value to be fixed, in proportion to the number of shares allocated to each such member.
- (8) For the purposes of paragraph (7) of this Article, the "fair value" of a share in the Company shall mean the proportion of the value of all the net assets (meaning thereby the assets less liabilities) of the Company attributable thereto in accordance with this paragraph as at the accounting reference date to which the latest audited accounts of the Company available on the date of service of the transfer notice were made up (or in the absence of any such accounts such value at the date of service of the transfer notice) and in ascertaining for the purposes of the calculation to be made by the Auditors the value of any of the assets or the amount of any of the liabilities of the company the method of computation and the accounting bases to be adopted shall be the same as those used for the purposes of preparing such audited accounts and in the absence of any such accounts shall be such method of computation and accounting bases as may in the opinion of the Auditors for the time being of the Company be appropriate to the calculation to be made and consistent with then current normal prudent accounting principles and practices for a Company such as the Company PROVIDED THAT in all events in making the calculation pursuant to this Article the Auditors shall:

(1) deduct as a liability of the Company:-

- (a) the amount of all known or anticipated liability to taxation (which expression shall include deferred taxation and any contingent liability to taxation), and
- (b) the amount of the costs to be incurred or which it is reasonable in the opinion of the Auditors to assume will be incurred in the collection of receivables due to the Company at the date in respect of which the calculation falls to be made and for the purposes of this paragraph (b) receivables shall include receivables in respect of accounts which then are in default or in respect of which an allowance for bad debts would be made in accordance with normal accounting principles.

- (ii) attribute no value to goodwill;
- (iii) make such adjustments as the Auditors shall consider appropriate to allow for special circumstances

and PROVIDED FURTHER THAT the fair value of the share shall in no event exceed its offer price. The value of the Company shall be determined on a going concern basis taking into account its net assets and profitability. The value of the Company so determined shall then be allocated to each class or type of outstanding security of the Company, taking into account any preferential liquidation rights and other rights and preferences.

The value of the Company so allocated to any such class or type of security shall then be allocated to each share of such class or type of security so that the fair value of any share or stock of the Company shall be equal to the fair value of any other share or stock of the same class or type. No account shall be taken of the size of the holding to be transferred or of the number of shares already held by any purchasing member.

- (9) Any sale of shares effected pursuant to this Article to a purchasing member (i) who has stated that he is prepared to accept the offer price shall be at the offer price; (ii) who has agreed the fair value thereof with the proposing transferor in accordance with paragraph (7) shall be at the agreed value. Any other sale of shares effected pursuant to this Article to a purchasing member shall be at the fair value fixed by the Auditors.
- (10) Within seven days of the certificate of the Auditors being received by the Company, the Company shall send a copy thereof to the proposing transferor and to all purchasing members.
- (11) The proposing transferor shall be bound, upon payment of the offer price, the agreed value or the fair value (as the case may be), to transfer the shares which have been allocated to the purchasing members pursuant to paragraph (5) of this Article to such purchasing members. If, after becoming so bound, the proposing transferor makes default in transferring the shares, the Company may receive the purchase money and the proposing transferor shall be deemed to have appointed any one Director or the secretary of the Company as his agent to execute a transfer of the shares to the purchasing members and, upon execution of such transfer, the Company shall hold the purchase money in trust for the proposing transferor. The receipt of the Company for the purchase money shall be a good discharge to each purchasing member and, after his name has been entered in the register of members of the Company, the validity of the proceedings shall not be questioned by any person.
- (12) Should any surplus of "A" Shares comprised in a transfer notice remain after allocation in accordance with paragraph (5) of this Article the Company shall send similar offers as aforesaid mutatis mutandis to the holders of the "B" Shares and the Directors shall similarly allocate them to such holders.
- (13) If all the shares comprised in a transfer notice are not accepted by a purchasing member or purchasing members, as aforesaid, the proposing transferor may within six months of the date on which he received

notification of the details of the application by purchasing members under paragraph (6) of this Article or, where appropriate within six months of the receipt by the proposing transferor of a copy of the certificate of the Auditors under paragraph (10) of this Article transfer all (but not some) of the shares registered in his name which have not been accepted to any one person (approved by the Board of Directors) on a bona fide sale at a price per share not less than whichever is the highest of the offer price, the agreed price or the fair value (after deduction, where appropriate, of any net dividend or other distribution to be retained by the proposing transferor).

- (14) No member shall transfer the beneficial ownership of or create any interest in any share registered in his name except by means of a transfer and subject to the provisions of this Article.
- (15) Notwithstanding the foregoing provisions of this Article, a member being a corporation shall not be precluded from creating or permitting to subsist any floating charge over its undertaking, property or assets.
- (16) The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a fully paid share. Regulation 24 of Table A shall not apply to the Company.

- 10. The provisions of Articles 8 and 9 above shall also apply to "B" Shares save that references therein to "A" Shares shall be construed as references to "B" Shares and references to "B" Shares shall be construed as references to "A" Shares.

INCREASE OF CAPITAL

- 11. Subject to any direction by Special Resolution of the Company to the contrary, all shares created upon any increase of capital and any issue of unissued shares shall consist of "A" Shares and "B" Shares as nearly as may be in the same proportion as the number of "A" Shares and "B" Shares then in issue. Regulation 32 of Table A shall be construed accordingly.

GENERAL MEETINGS

- 12. The Directors may call General Meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition.
- 13. Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-
 - (1) Every member;
 - (2) Every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting;
 - (3) The auditor for the time being of the Company; and
 - (4) The Directors of the Company and their alternates.

No other person shall be entitled to receive notices of General Meetings. Regulation 38 of Table A shall be modified accordingly.

PROCEEDINGS AT GENERAL MEETINGS

14. (1) Two members in person or by proxy shall be a quorum at any General Meeting, but so that such quorum shall throughout the meeting include one person being or representing a holder of any of the "A" Shares and one person being or representing a holder of any of the "B" Shares. Regulation 40 of Table A shall be modified accordingly.
- (2) 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 Director 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 meeting shall be dissolved. Regulation 41 of Table A shall not apply.
- (3) The Chairman, if any, of the Board of Directors shall be a Director nominated by the "B" Directors and shall preside as Chairman of the meeting, but if the Chairman shall not be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the "B" Directors present shall elect one of their number to be Chairman. Regulation 42 of Table A shall be modified accordingly.
- (4) If no "B" Director is willing to act as Chairman, or if no "B" Director is present within fifteen minutes after the time appointed for holding the meeting, the members who are holders of the "B" Shares, present and entitled to vote shall choose one of the holders of the "B" Shares to be Chairman. Regulation 43 of Table A shall be modified accordingly.
15. A poll may be demanded at any General Meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be modified accordingly.
16. Subject as hereinafter provided on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each "A" Share of which he is the holder and one vote for each "B" Share of which he is the holder provided that the "A" Shares shall confer no right to vote upon a resolution for the removal from office of a "B" Director.
17. A resolution in writing signed by all the members for the time being entitled to receive notice of and attend and vote at General Meetings shall be as effective as if the same had been passed at a General Meeting of the Company, duly convened and held, and may consist of several documents in the like form, each signed by one or more persons. In the case of a corporation the resolution may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative.

DIRECTORS

18. Unless and until otherwise determined by Special Resolution of the Company, the number of Directors shall be not more than eight of whom not more than four shall be "A" Directors and not more than four shall be "B" Directors appointed under paragraph (1) and (2), as the case may be, of Article 19.

Regulation 64 of Table A shall not apply to the Company.

19. (1) The holders of a majority in nominal value of the "A" Shares shall be entitled at any time or times to appoint any person an "A" Director (but so that the maximum number of "A" Directors fixed in accordance with these Articles is not exceeded) to determine the period for which such person is to hold office and to remove from office any Director so appointed.
 - (2) The holders of a majority in nominal value of the "B" Shares shall be entitled at any time to appoint any person a "B" Director (but so that the maximum number of "B" Directors fixed in accordance with these Articles is not exceeded) to determine the period for which such person is to hold office and to remove from office any Director so appointed.
 - (3) The Directors may act notwithstanding any vacancies in the Board of Directors provided that the Board consists of at least one "A" Director and one "B" Director. Regulation 90 of Table A shall be modified accordingly.
 - (4) The Directors shall not be required to retire by rotation and Regulation 73-80 (inclusive) of Table A shall not apply to the Company.
20. Each Director shall hold office subject only to Article 18 and Article 24 hereof.
21. Any such appointment or removal of an "A" Director or a "B" Director shall be in writing served on the Company and signed by the holders of a majority of the "A" Shares or, as the case may be, the holders of a majority of the "B" Shares. In the case of a corporation such document may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative.

POWERS OF DIRECTORS

22. The Directors may by power of attorney or otherwise appoint any person to be the agent of the Company upon such terms (including terms as to remuneration) as they may think fit and may delegate to any person so appointed any of the powers vested in or exercisable by them including the power to sub-delegate. The Directors may remove any person appointed under this Article and may revoke or vary such delegation but no person dealing in good faith and without notice of any such revocation or variation shall be affected by it. Regulation 71 of Table A shall not apply.
23. The Directors may delegate any of their powers to committees consisting of such Directors as they think fit. Such a committee shall include at least one Director appointed by the Directors of the "A" shares and one Director appointed by the Directors of the "B" shares. Where the committee consists of more than two Directors the number of Directors appointed by the Directors of the "A" shares shall equal the number of Directors appointed by the Directors of the "B" shares.
24. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors shall be as valid and effective as if it had been passed at a meeting of the Directors duly convened and held and any such resolution may consist of several documents in like form each signed by one or more of the Directors.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

25. The office of a Director shall be vacated if:-

- (1) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- (2) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (3) he is, or may be, suffering from mental disorder and either:-
 - (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
 - (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (4) he becomes incapable by reason of illness or injury of managing and administering his property and affairs;
- (5) he resigns his office by notice in writing to the Company; or
- (6) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

The office of an "A" Director or a "B" Director shall also be vacated if he shall be removed from office as provided in Article 19. Regulation 41 of Table A shall not apply to the Company.

DIRECTORS' POWER TO BORROW

26. The Directors may exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not, and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, and subject to Section 80 of the Act 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.
27. The ordinary remuneration of the Directors shall from time to time be determined by a Special Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of any committee of the Directors, or General Meetings, or otherwise in or about the business of the Company.

DIRECTORS' INTERESTS

28. Subject to the provisions of Section 317 of the Act a Director may be interested, directly or indirectly, in any contract transaction or arrangement with the Company or in which the Company is interested and (except as regards the office of auditor) he may hold and be remunerated in respect of any office or place of profit under the Company, and he or any firm of which he is a partner may act in a professional capacity for the Company and be remunerated therefor. In relation to any such matter a Director notwithstanding his interest may vote and be taken into account for the purposes of a quorum and may retain for his own absolute use and benefit all profits and advantages accruing to him. Regulations 85 and 95-97 inclusive of Table A shall not apply to the Company.
29. An alternate Director shall be entitled to contract and be interested in and benefit from contracts, transactions or arrangements and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as an alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
30. The Directors may exercise the powers of the Company conferred by 3(t) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them by reason of the exercise of any such power.

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NOTICES AND PROCEEDINGS AT DIRECTORS' MEETINGS

31. (1) Notice of meetings of the Directors shall be given to all Directors whether or not for the time being absent from the United Kingdom. Regulation 88 of Table A shall be modified accordingly. The quorum for a meeting of the Directors shall throughout the meeting be any two directors.
- (2) All meetings of the Directors shall be held in the United Kingdom.
32. The quorum for a meeting of any committee of Directors shall throughout the meeting be one person appointed by the "A" Directors and one person appointed by the "B" Directors. Regulation 72 of Table A shall be modified accordingly.
33. (1) At all meetings of the Directors and their committees the "A" persons present shall collectively have four votes and the "B" persons present shall collectively have four votes.
- (2) All business arising at any meeting of the Directors or of any committee shall be determined only by resolution and no such resolution shall be effective unless carried by a majority of votes. In addition to any vote to which he may be entitled pursuant to Article 33(1) the Chairman shall have a second or casting vote. A meeting of the Directors or of any committee may properly be held by telephone or other verbal means of communication as well as in person. Regulations 72 and 88 of Table A shall be modified accordingly.
- (3) The "B" Directors may appoint one of their number to be the Chairman of the Board of Directors. Unless he is unwilling to do so, the "B"

Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no "B" Director holding that office, or if the "B" Director holding it is unwilling to preside or is not present the "B" Directors may appoint one of their number to be Chairman of the meeting. Regulation 91 of Table A shall not apply.

DIVIDENDS

34. Dividends may be declared by the Company in General Meeting and may be declared in respect of any one class or sub-class of share without any obligation to declare or pay any dividend on any other class or sub-class of share.
35. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.
36. The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

INDEMNITY

37. (1) 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 insofar as its provisions are not avoided by Section 310 of the Act.
- (2) Regulation 118 in Table A shall not apply to the Company.