

C1/M&A/GFL

COMPANY NUMBER : 2622895

"GREEN FLAG GROUP LTD."
2622895

Name changed by Special Resolution
on 5/8/1996 from:

"Green Flag Ltd."

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF
Group
GREEN FLAG/LIMITED

Incorporated on the 21st June 1991



RALPH C. YABLON TEMPLE-MILNES & CARR
Solicitors
Sunbridge House
80 Kirkgate
Bradford
BD1 1TH



COMPANY LIMITED BY SHARES

Memorandum of Association

of

GREEN FLAG LIMITED

1. The name of the Company is "GREEN FLAG LIMITED" *
2. The Registered Office of the company will be situate in England.
3. The objects for which the Company is established are:-
 - A) i) To carry on the business of owners, managers, proprietors and sponsors of clubs for the assistance and to facilitate motorists conveniences of every and any description; to provide facilities and services of all kinds to members of the club on such terms and for such periods of time as the Company may from time to time determine on a commission or fee basis or otherwise.
 - ii) To carry on the business of proprietors of a garage and service station and to undertake the servicing maintenance and repair of motor vehicles of all kinds whatsoever form of propulsion may be used; to deal and sell new and used motor vehicles, parts of such vehicles and their accessories; to operate a vehicle recovery service of all kinds; and to carry on any other trade or business of a like and similar nature.
- B) To carry on any other trade or business which can, in the opinion of the Board of Directors be advantageously carried on by the Company in connection with or as ancillary to the general business of the Company.
- C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.
- D) To erect, construct, lay down, enlarge, alter and maintain any shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- E) To acquire by original subscription, tender, purchase or otherwise and hold, sell, deal with or dispose of any Shares, Stocks, Debentures, Debenture Stocks, Bonds, Obligations and

* Changed by Special Resolution dated 23 August 1991 from Ryanfield Limited

Securities, guaranteed by any Company constituted or carrying on business in any part of the world and Debentures, Debenture Stock, Bonds, Obligations and Securities guaranteed by any Government or Authority, Municipal, Local or otherwise, whether at home or abroad, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by the ownership thereof.

- F) To borrow or raise or secure the payment of money for the purposes of or in connection with the Company's business.
- G) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at part or at a premium or discount, and for such consideration and with such rights, powers and privileges as may be thought fit, Debentures or Debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- H) To make advances to customers and others with or without security and upon such terms as the Company may approve and to guarantee the liabilities, obligations and contracts of customers and others and the dividends, interest and capital of the shares, stocks or securities of any company or in which this Company is a member or is otherwise interested.
- I) To receive money on deposit or loan upon such terms as the Company may approve, and generally to act as bankers for customers and others.
- J) To apply for, purchase or otherwise acquire and hold any patents, brevets d'invention, licences, concessions, copyrights and the like, conferring any right to use or publish any secret or other information and to use, exercise, develop or grant licences in respect of the property, rights information so acquired.
- K) To take part in the formation, management, supervision or control of the business or operation of any Company or undertaking and for that purpose to appoint and remunerate any Directors, Accountants or experts or agents.
- L) To employ experts to investigate and examine into the condition, prospects, value, character, and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- M) To transact or carry on any kinds of agency business and generally to undertake and carry out all such operations and transactions, (except assurance business within the meaning of the Insurance Companies Acts, 1958 to 1967, as amended from time to time) as an individual person may undertake and carry out.
- N) To establish or promote or concur in establishing or promoting any other Company whose objects shall include the acquisition or taking over of all or any assets or liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire, hold, dispose of shares, stocks,

securities and guarantee the payment of the dividend, interest or capital of any shares, stock or securities issued by or any other obligations of any such Company.

- O) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- P) To invest and deal with the moneys of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the Company may approve.
- Q) To pay for any property or rights acquired by the Company either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another and generally on such terms as the Company may determine.
- R) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares or stock or any company or corporation, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- S) To amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit this Company and to acquire and hold, sell, deal with or dispose of any shares, stock or securities of other interests in any such company, and to guarantee the contracts or liabilities of, subsidise or otherwise assist, any such company.
- T) To purchase or otherwise acquire take over and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests or possessed of property suitable for the purposes of the Company.
- U) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- V) To grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependents of such persons and to establish and maintain or concur in maintaining trusts,

funds or schemes, (whether contributory or non-contributory) with a view to providing pensions or other funds for any such persons as aforesaid or their dependents.

- W) To aid in the establishment and support of any schools and any educational scientific, literary, religious or charitable institutions or trade societies, whether such institutions or societies be solely connected with the business carried on by the Company or its predecessors in business or not, and to institute and maintain any club or other establishment.
- X) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- Y) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- Z) To do all such other things as are incidental or conducive to the above objects or any of them.

It is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and shall not be in any way limited by reference to any other paragraphs or the order in which the same occur.

- 4. The liability of the members is limited.
- 5. The share capital of the Company is £3,000,000 divided into 2,994,000 Ordinary Shares of £1 each 500,000 Preferred Ordinary Shares of 1 pence each and 1,000 Deferred Shares of £1 each. *

The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

* Increased from £100 by a Special Resolution dated the
1992.

day of

We, the several 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, ADDRESS AND DESCRIPTIONS
OF SUBSCRIBERS

NUMBER OF SHARES TAKEN
BY EACH SUBSCRIBER

Business Information Research & Reporting
Limited, Research House
90 Whitchurch Road
Cardiff
CF4 3LY

ONE

I L Harrison
"Fy Mwthin"
Merthyr Road
Tongwynlaid
Cardiff
CF4 7LH

ONE

Company Registration Agent

Dated this 1st day of January 1991

WITNESS to the above signatures

A M Wilkinson
144 Bremley Court
Glenwood
Llanedryn
Cardiff
CF2 6UW

Company Registration Agent

THE COMPANIES ACT 1985

NEW

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed
on the 23rd day of August 1991)

of

GREEN FLAG LIMITED

PRELIMINARY

1. The Regulations contained in Part 1 of Table A in the First Schedule to the Companies Act 1948 (such Table being hereinafter referred to as "Table A") as modified by the Companies Acts 1948 to 1981 (as defined by Section 119(2) of the Companies Act 1981) shall apply to the Company save in so far as they are excluded or varied hereby; that is to say, Clauses 11, 24, 75, 77, 79, 89 to 97 (inclusive) in Part 1 of Table A shall not apply to the Company; and in addition to the remaining Clauses in Part 1 of Table A, as varied hereby, the following shall be the Regulations of the Company.
2. The Company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the Company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. A) The authorised share capital of the Company at the date of adoption of these Articles is £3,000,000 divided into 2,994,000 Ordinary Shares of £1 each, 500,000 Preferred Ordinary Shares of 1 pence each and 1,000 Deferred Shares of £1 each.

B) The rights attaching to the Ordinary Shares to the Preferred Ordinary Shares and to the Deferred Shares are respectively as follows:-

i) As to dividends:-

- a) the Deferred Shares shall not rank for dividend;
- b) the Preferred Ordinary Shares shall carry the right to a cumulative preferential dividend at the rate of 525% per annum net of basic rate income tax on the amount being paid up or credited as paid up on such shares. The Preferred Ordinary Shares shall rank for dividend in priority to any other shares of the Company for the time being and from time to time in issue. The said preferential dividend shall be payable on the fourteenth day of February, the fourteenth day of May, the fourteenth day of August and the fourteenth day of November in each year in respect of the quarter ending on the immediately preceding day;
- c) subject as aforesaid the Ordinary Shares shall be entitled to the profits of the Company which it may from time to time determine to distribute in respect of any financial year or other period.

ii) As to voting - only the Ordinary Shares shall entitle a holder thereof to receive notice of and to attend and to vote at meetings of the Company.

- iii) As to capital - on a return of assets or liquidation the assets if any remaining after the debts and liabilities of the Company and the costs of the winding up have been paid or allowed for shall be applied in the first place in repaying to the holders of the Preferred Ordinary Shares the sum of £1 for each such share next in repaying to the holders of the Ordinary Shares the amount paid up on such shares next in repaying to the holders of the Ordinary Shares one million times the amounts paid up on such shares next in repaying to the holders of the Deferred Shares the amounts paid up on such shares and the balance of such surplus assets shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the number of such Ordinary Shares held by them respectively.
4. A) The shares shall be under the control of the Directors and the Directors may allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by Section 14(10) of the Companies Act 1980) of the Company to such persons and generally on such terms and in such manner as they think fit.
- B) The general authority conferred by Article 4 hereof shall extend to all relevant securities of the Company from time to time unissued during the currency of such authority. The said general authority shall expire on the fifth anniversary of the adoption of these Articles unless varied or revoked or renewed by the Company in General Meeting.
- C) The Directors shall be entitled under the general authority conferred by Article 4(A) hereof to make at any time before the expiry of such authority any offer or agreement which will or may require securities to be allotted after the expiry of such authority.

5. Section 17(1) of the Companies Act 1980 shall not apply to any allotment of shares of the Company.
6. Subject to the provisions of Part III of the Companies Act 1981 the Company may:-
 - A) issue any shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder thereof;
 - B) purchase its own shares (including any redeemable shares);
 - C) make a payment in respect of the redemption or purchase under Section 45 or (as the case may be) Section 46 of the Companies Act 1981 of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.
7. The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any Member payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends payable thereon.

GENERAL MEETINGS

8. Clause 54 in Part 1 of Table A shall be read and construed as if the last sentence ended with the words, "and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall be dissolved".

DIRECTORS

9. Unless and until the Company in General Meeting shall otherwise determine, there shall be no limit on the number of Directors but the number need not exceed one. If any so long as there is a sole director, he may exercise all the powers and authorities vested in the Directors by these Articles or Table A.
10. A Director shall not be required to hold any share qualification but he shall be entitled to receive notice of and to attend and speak at any General Meeting of the Company; and Clause 134 in Part 1 of Table A shall be modified accordingly.
11. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and 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.
12. A Director may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Clause 84 in Part 1 of Table A shall be modified accordingly.

ALTERNATE DIRECTORS

13. Any Director may appoint any person approved by the Board to be an Alternate Director and may at any time revoke any such appointment. An Alternate Director shall be entitled to receive notice of and to attend and vote at Meetings of Directors, but shall not be entitled to any remuneration from the Company. Any appointment or revocation made under this Article shall be in writing under the hand of the Director making the same.

TRANSFER OF SHARES

14. A) Unless in any particular case all the Members for the time being holding Ordinary Shares shall otherwise agree in writing, none of the shares of the Company shall be transferred except in accordance with the provision contained in this Article.
- B) Every holder of shares in the Company who wishes to transfer his shares or any of them (hereinafter referred to as a "Vendor") shall notify the Directors of the Company in writing of his wish so to do. Such notification (hereinafter called the "transfer notice") shall constitute the Directors his agents for the sale of shares (hereinafter called "the Shares") at the fair value (as hereinafter defined) and (save as hereinafter provided) shall not be withdrawn.
- C) For the purpose of this Article the fair value shall be such price as may be determined by the Auditors for the time being of the company (acting as experts and (not as arbitrators)) to be in their opinion the fair value of the shares having regard to the fair value of the business of the Company as a going concern and as between a willing Vendor and a willing Purchaser. The fees and expenses of the Auditors shall be borne as to one half thereof by the Vendor and as to the remaining half amongst the purchasers (if any) of the shares in proportion to the numbers of shares to be purchased by them respectively, or if there are no such purchasers, or if the Vendor withdraws the transfer notice pursuant to paragraph (D), or gives a counter-notice pursuant to paragraph (F) hereof, such remaining half shall also be borne by the Vendor.

- D) In the event of the fair value determined as aforesaid not being acceptable to the Vendor he may give notice in writing to the Directors within fourteen days of the issue of the certificate as aforesaid and thereupon the transfer notice shall be deemed to be withdrawn.
- E) If upon the fair value having been certified as aforesaid the Vendor has not given a notice operating to withdraw the transfer notice within the period of fourteen days pursuant to paragraph (D) hereof, the Directors shall forthwith offer the Shares giving details of the number and price (being the fair value) of the shares on offer, to all the then holders (other than the Vendor in each case) of Shares of the same class as the shares on offer pro rata as nearly as may be in proportion to the existing numbers of shares of the same class then held by them respectively and any Shares held by any person by way of security only shall be deemed to be held by the person or persons for the time being entitled to the equity of redemption in relation thereto. The Directors shall invite each such member to state in writing within twenty-one days from the date of the notice whether he is willing to purchase any of the Shares so offered to him and, if so, the maximum number thereof. If any such Member shall be unwilling to purchase any of the Shares so offered to him the Directors may offer the same to other Members holding shares of the same class pro rata as aforesaid and if no Member holding shares of the same class is willing to purchase any of the shares so offered to him the Directors may offer the same to holders of shares of any other class pro rata as aforesaid and if any Member holding shares of such other class shall be unwilling to purchase such shares the Directors may offer the same to other Members holding shares of such other

class pro rata and if no Member holding shares of such other class shall be willing to purchase any of these shares so offered to him the Directors may offer the same to any person they consider it desirable to admit to Membership.

- F) If the Directors shall pursuant to the provisions of paragraph (E) of this Article find a Member or Members or any other person or persons approved by them who is or are willing to purchase all or any of the shares or if they shall have been unable within three months after the date of the offer of the shares pursuant to paragraph (E) to find any such Member or other person they shall give notice thereof to the Vendor. If the Directors shall have found a person or persons willing to purchase some but not all of the shares, the Vendor may within twenty-one days of the receipt of such notice from the Directors give a counter-notice in writing to the Directors withdrawing the transfer notice, but if the Directors shall have found a person or persons willing to purchase all the shares, or if no such counter-notice shall have been given by the Vendor within the aforesaid period, the Vendor shall be bound upon receipt of the fair value to transfer the shares (or such of the same for which the Directors shall have found a purchaser or purchasers) to such person or persons.
- G) If the Vendor makes default in so transferring the shares as aforesaid the Directors shall if so required by the person or persons willing to purchase such shares under the foregoing provisions receive and give a good discharge for the purchase money on behalf of the Vendor, and shall authorise some person to execute transfers of the shares in favour of the purchasers and shall enter the name of the purchasers in the Register of Members as the holders of such of the shares on offer as shall have been transferred to them as aforesaid.

- H) If the Vendor shall not have given any notice operating to withdraw the transfer notice to the Directors pursuant to paragraph (D) or (F) hereof and the Directors shall not pursuant to paragraph (E) hereof find a purchaser for all the shares, the Vendor shall be at liberty at any time within six months after the date of the offer of such shares pursuant to paragraph (E) to sell and transfer all or any of the shares not so sold as aforesaid to any person at any price not being less than the fair value.
- I) The Directors shall refuse to register any proposed transfers of a share other than a transfer made pursuant to or permitted by the foregoing provisions of this Article.
- J) for the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a transfer notice is required to be given hereunder the directors may require any member or legal personal representative of a deceased member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration and evidence as the Directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such request, the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned and they may likewise so require if any such information or evidence discloses that a transfer notice ought to be given in respect of any shares. If the Directors do so require and the notice is not duly given within one month from

the date of its being so required such notice shall be deemed to have been given at the expiration of the said period and the provisions of these presents shall take effect accordingly.