

COMPANY NUMBER 2776034

THE COMPANIES ACT 1985 AND 1989

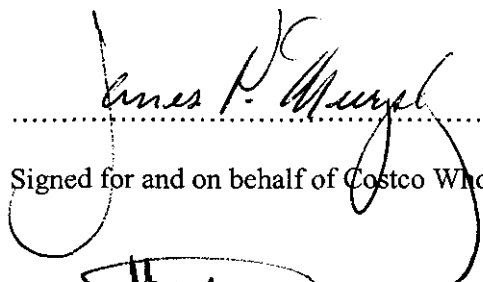
COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS OF COSTCO LIMITED

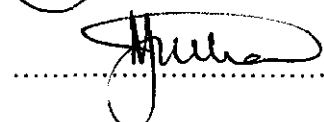
We, the undersigned, being all the members entitled to receive notice of a meeting of members of Costco Limited ("the Company") hereby resolve as follows:

1. THAT each of the issued and unissued A Ordinary Shares of £1 each and each of the issued and unissued B Ordinary Shares of £1 each in the capital of the Company be converted into and re-designated as Ordinary Shares of £1 each having the rights and being subject to restrictions as set out in the new Articles of Association of the Company to be adopted pursuant to resolution 2 below.
2. THAT the Regulations contained in the printed document annexed hereto be adopted as the Articles of Association of the Company in substitution for the existing Articles of Association of the Company.
3. THAT the Directors are generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to allot and issue up to 10,000,000 Ordinary Shares within five years of the date of this resolution (on the expiration of which this authority shall expire) and the Directors shall have the power to exercise the authority hereby conferred upon them to allot such shares to such persons and on such conditions as they may in their absolute discretion determine as if section 89(1) of the Companies Act 1985 did not apply thereto.

Dated 27 December 2000.


.....

Signed for and on behalf of Costco Wholesale UK Limited


.....

Signed for and on behalf of Submitselect Limited



THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

**NEW ARTICLES OF ASSOCIATION
OF**

COSTCO LIMITED

(adopted by special resolution passed on 27 *June* 2000)

1. PRELIMINARY AND INTERPRETATION

1.1 The regulations contained in Table A ("**Table A**") in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall apply to the Company except that regulations 1, 3, 24, 35, 38, 41, 44, 53, 60, 61, 62, 64 to 69 (inclusive), 73 to 77 (inclusive), 79, 80, 81, 89, 93, 94, 108, 111, 112 and 115 are excluded and regulations 31, 40, 46, 78, 88 and 118 shall apply as varied by these Articles).

1.2 In these Articles and in the regulations of Table A that apply to the Company:

"the Act"

means the Companies Act 1985 as amended, consolidated or re-enacted from time to time;

"Articles"

means these articles of association as amended from time to time;

"Business Day"

means a day (other than a Saturday or Sunday) on which banks are open for business in London;

"clear days"

means in relation to a period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"Director"

means a director from time to time of the Company;

“executed”

includes any mode of execution;

“holder”

means, in relation to a share, the member whose name is entered in the register of members as the holder of that share;

“office”

means the registered office of the Company from time to time;

“person with mental disorder”

means a person who 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;

“seal”

means the common seal of the Company;

“secretary”

means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

“United Kingdom”

means Great Britain and Northern Ireland.

1.3 In these Articles, unless the context otherwise requires:

1.3.1 references to persons include references to natural persons and corporations;

1.3.2 words and expressions defined in the Act shall bear the same meanings in these Articles and in the regulations of Table A that apply to the Company (but excluding any statutory modification of the Act not in force when these regulations became binding on the Company and words and expressions expressly defined in these Articles);

1.4 In these Articles:

1.4.1 the headings are included for convenience only and do not affect the construction of these Articles;

1.4.2 words denoting the singular include the plural and vice versa; and

1.4.3 words denoting one gender include any other gender.

1.5 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose and, where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.

2. PRIVATE COMPANY

The Company is a private company within the meaning of section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. SHARE CAPITAL

3.1 The authorised share capital of the Company at the date of adoption of these Articles is £10,000,000 divided into 10,000,000 shares of £1 each.

3.2 Subject to the provisions of the Act and without prejudice to Article 3.3 the Company may:

3.2.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by the Articles;

3.2.2 purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such resolution as is required by the Act; and

3.2.3 to the extent permitted by section 171 of the Act, make a payment in respect of the redemption or purchase of any of its shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

3.3 The Directors (for the purposes of section 80 of the Act) are generally and unconditionally authorised to allot or grant rights to subscribe for, or to convert any security into, any unissued shares to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company. The authority contained in this Article shall, unless revoked or varied in accordance with section 80 of the Act:

3.3.1 be limited to a maximum nominal amount of shares equal to the amount of the authorised but unissued share capital of the Company at the date of adoption of these Articles; and

3.3.2 expire on the fifth anniversary of the date of adoption of these Articles but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of this authority.

- 3.4 In exercising their authority under Article 3.3 the Directors shall not be required to have regard to sections 89(1) and 90(1) to (6) (inclusive) of the Act which sections shall be excluded from applying to the Company.

4. TRANSFER AND TRANSMISSION OF SHARES

- 4.1 The Directors may, in their absolute discretion and without assigning any reason, decline to register any transfer of any share, whether or not it is a fully paid share. The Directors may also refuse to register a transfer unless:
- 4.1.1 it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - 4.1.2 it is in respect of only one class of shares; and
 - 4.1.3 it is in favour of not more than four transferees.
- 4.2 No share shall be transferred to any infant, bankrupt or person with mental disorder.
- 4.3 The Directors may at any time give notice requiring a person becoming entitled to a share in consequence of the death or bankruptcy of a member to elect either to become the holder of the share or to have some person nominated by him registered as the transferee and if the notice is not complied with within 90 days the Directors may after such time withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.
- 4.4 Regulation 31 shall be modified accordingly.

5. VARIATION OF RIGHTS

- 5.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be modified, varied or abrogated with the consent in writing of the holder or holders of not less than three fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class.
- 5.2 To every such separate general meeting the provisions of these regulations relating to general meetings shall apply, except that the quorum shall be (where all the shares of that class are held by one person) that person and (in any other case) two persons holding or representing by proxy at least one third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
- 5.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

6. GENERAL MEETINGS

- 6.1 An annual general meeting and an extraordinary general meeting called for the passing of a special or elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed
 - 6.1.1 in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - 6.1.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- 6.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 6.3 Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and auditors of the Company.
- 6.4 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 at the meeting.
- 6.5 If the Company only has one member, then such member, present in person or by proxy or, if a corporate member, by its duly authorised representative, shall be a quorum.
- 6.6 If within half an hour after the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting:
 - 6.6.1 if convened upon the requisition of members, shall be dissolved; or
 - 6.6.2 if convened otherwise than upon the requisition of members, shall stand adjourned until the same day in the next week at the same time and place or such other day, time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present or ceases to be present then the member or members present shall be a quorum.
- 6.7 A Director shall, notwithstanding that he is not a member, be entitled to receive notices of and attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 6.8 If the Company only has one member and such member takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, then such member shall (unless that decision is taken by way of a written resolution) provide the Company with a written record of that decision.
- 6.9 A resolution in writing executed by all the members of the Company entitled to receive notice of and to attend and vote at a general meeting or by their duly appointed proxies or attorneys:

- 6.9.1 shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held; and
- 6.9.2 any such resolution in writing may be contained in one document or in several documents in the same terms each executed by one or more of the members or their proxies or attorneys and execution in the case of a body corporate which is a member shall be sufficient if made by a director of such body corporate or by its duly authorised representative.

7. VOTES OF MEMBERS

- 7.1 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointor (or, if a corporation, under the hand of a duly authorised officer of the corporation) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.
- 7.2 The appointment of a proxy shall not be valid and the proxy named in the instrument shall not be entitled to vote at the meeting unless the instrument appointing the proxy, together with any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors:
 - 7.2.1 is deposited at the office (or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) not later than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - 7.2.2 in the case of a poll taken more than 48 hours after it is demanded, is deposited as specified in Article 7.2.1 after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - 7.2.3 where the poll is not taken forthwith but is taken not more than 48 hours after it is demanded, is delivered to the chairman or to the secretary or to any Director at the meeting at which the poll is demanded.

8. DIRECTORS

The number of the Directors shall be determined by the Company in general meeting but unless and until so determined there shall be no maximum number of Directors and the minimum number of Directors shall be one.

9. ALTERNATE DIRECTORS

- 9.1 Any Director may at any time by notice in writing deposited at the office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate director and may in like manner at any time terminate such appointment.

- 9.2 The appointment of an alternate director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- 9.3 An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member and shall be entitled to attend, speak and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director.
- 9.4 If an alternate director shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative.
- 9.5 If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability, the execution by an alternate director of any resolution in writing of the Directors shall be as effective as the execution by his appointor.
- 9.6 An alternate director shall not (save as provided in this Article 9) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles, but he shall be an officer of the Company, he alone shall be responsible for this own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.
- 9.7 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent, so far as applicable, as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- 9.8 Regulation 88 shall be modified accordingly.

10. POWERS OF DIRECTORS

- 10.1 Without prejudice to the powers conferred by regulation 70 of Table A, the Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any undertaking which is or was a subsidiary undertaking of the Company or allied to or associated with the Company or any such subsidiary undertaking, or of any of the predecessors in business of the Company or of any such other undertaking and the spouses, widows, widowers, families and dependants of any such persons and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons.

10.2 Without prejudice to the provisions of regulation 70 of Table A and of Article 18 and subject to the provisions of the Act, the Directors' shall have power to purchase and maintain insurance at the expense of the Company for or for the benefit of any persons who are or were at any time:

10.2.1 directors, officers, employees or auditors of the Company or of any other company which is its holding company, or in which the Company or such holding company has any interest whether direct or indirect, or which is in any way allied to or associated with the Company or such holding company, or of any subsidiary undertaking of the Company or of such other company;

10.2.2 trustees of any pension fund in which employees of the Company or of any other such company or subsidiary undertaking are interested;

including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported exercise, execution and/or discharge of their powers or duties and/or otherwise in relation to their duties, powers of offices in relation to the Company or any other such company, subsidiary undertaking or pension fund.

11. APPOINTMENT AND RETIREMENT OF DIRECTORS

11.1 The Directors of the Company shall not retire by rotation. Regulation 78 shall be modified accordingly.

11.2 The Directors may appoint any person or persons, who are willing to act, to be Directors of the Company either to fill a vacancy or as additional Directors provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

11.3 The holder of holders from time to time of not less than 75 per cent. in nominal value of the issued share capital conferring the right to attend and vote at general meetings of the Company may, by sending to or depositing at the office notice in writing executed by or on behalf of him or them, appoint any person or persons who are willing to act, to be Directors of the Company either to fill a vacancy or as additional Directors provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

12. DISQUALIFICATION AND REMOVAL OF DIRECTORS

12.1 The office of a Director shall be vacated if:

12.1.1 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

12.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

12.1.3 he is a person with mental disorder; or

- 12.1.4 he resigns his office by notice in writing to the Company; or
 - 12.1.5 he is removed from office under section 303 of the Act or by extraordinary resolution of the Company; or
 - 12.1.6 he is absent from meetings of the Directors for 6 successive months without permission of the Directors and his alternate director (if any) shall not have attended in his place and the Directors resolve that his office be vacated; or
 - 12.1.7 the holder or holders from time to time of not less than 75 per cent. in nominal value of the issued share capital conferring the right to attend and vote at general meetings of the Company deposit at the office notice in writing executed by or on behalf of him or them removing him from office; or
 - 12.1.8 he is removed from office by notice in writing executed by or on behalf of all the other Directors deposited at the office (which removal shall be deemed to be an act of the Company).
- 12.2 No person shall be disqualified from being or becoming a Director of the Company by reason of his attaining or having attained the age of 70 years or any other age.

13. DIRECTORS' INTERESTS

- 13.1 A Director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company:
- 13.1.1 shall declare the nature of his interest at a meeting of the Directors in accordance with section 317 of the Act;
 - 13.1.2 subject to such disclosure, shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.

14. PROCEEDINGS OF DIRECTORS

- 14.1 The quorum for the transaction of the business of the Directors shall, except when one Director only is in office, be two. A person who holds office as an alternate director shall, if his appointor is not present, be counted in the quorum. When one Director only is in office he shall have and may exercise all the powers and authorities in and over the affairs of the Company as are conferred on the Directors by the Articles.
- 14.2 A resolution in writing executed by all the Directors (including a sole Director) entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may be contained in one document or in several documents in the same terms and executed by one or more Directors; but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a Director who has appointed an alternate director, it need not be executed by the alternate director in that capacity.

- 14.3 Provided that due notice of such telephone conference call has been given as would be required for notice of a meeting of the Directors or (as the case may be) a committee of Directors, a telephone conference call during which a quorum of the Directors for the purposes of the business intended to be conducted at that meeting participates in the call shall be deemed to be a meeting of the Directors or (as the case may be) a committee of the Directors so long as all those participating can hear and speak to each other throughout the call. A resolution passed by the Directors at such a meeting shall be as valid as it would have been if passed at an actual meeting duly convened and held.

15. EXECUTION OF DOCUMENTS

Where the Act so permits, any instrument signed by one Director and the secretary or by two Directors and expressed to be executed by the Company as a deed shall have the same effect as if executed under the seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

16. DIVIDENDS

- 16.1 The Directors may deduct from any dividend payable on or in respect of a share all sums of money presently payable by the holder to the Company on any account whatsoever.
- 16.2 The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of such monies. Any dividend unclaimed after a period of 12 years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.

17. NOTICES

- 17.1 All notices given to or by any person pursuant to the Articles shall be in writing except that notice calling a meeting of the Directors need not be in writing. Notice may be given personally or by letter. The address for service of the Company shall be the office or such other place as the Directors may appoint. The address for service of each member shall be his registered address within the United Kingdom or such other address within the United Kingdom for service as the addressee may from time to time notify to the Company for the purposes of this Article. In the absence of such address the member shall not be entitled to receive from the Company notice of any meeting.
- 17.2 In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

17.3 Notices will be deemed to be received:

17.3.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice signed by or on behalf of the addressee; and

17.3.2 if by letter, at noon 2 Business Days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly stamped first class, addressed and delivered to the postal authorities.

18. INDEMNITY

Subject to the provisions of and so far as may be permitted by the Act, but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director, secretary or manager of the Company shall be entitled to be indemnified out of the assets of the Company against all liabilities, costs and expenses incurred or sustained by him in the execution and discharge of his duties. Regulation 118 of Table A shall be extended accordingly.

COSTCO LIMITED ARTICLES OF ASSOCIATION SUBSIDIARY COMPANY