

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
THOMSON TRAVEL GROUP
(HOLDINGS) LIMITED
(INCORPORATING ALL AMENDMENTS TO 29TH JULY, 1998)

INCORPORATED ON 19TH JULY, 1996
NO. 3226964

ALLEN & OVERY

LONDON
Cl:178444.1



Company number
3226964

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

THOMSON TRAVEL GROUP (HOLDINGS) LIMITED

(Incorporating all amendments to 29th July, 1998)

1. The Company's name is "Thomson Travel Group (Holdings) Limited¹."
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:
 - (1) to acquire and hold any kind of interest in, or to provide any form of capital for, any person or undertaking of any kind, to carry on business as a holding and investment company and to co-ordinate and manage the activities of, and to provide finance, services and facilities to, any person or undertaking controlled directly or indirectly by the Company or in which the Company is interested, whether as a shareholder or otherwise and whether directly or indirectly;
 - (2) to carry on business as a general commercial company;
 - (3) to carry on any trade or business whatsoever;
 - (4) to do all such things as are, in the opinion of the directors, incidental or conducive to the carrying on of any trade or business;
 - (5) to do all such things as the directors consider to be desirable or for the benefit of the Company;
 - (6) to carry out any form of take-over, acquisition, merger, amalgamation, demerger or reorganisation, to acquire or assume all or any part of the undertaking, assets and liabilities of any person and to sell, transfer or otherwise dispose of all or any part of the undertaking, assets and liabilities of the Company;

¹ The Company was incorporated under the name "Alnery No. 1596 Limited". On 6th December, 1996 the name of the Company was changed to "Thomson Travel Group Limited". On 13th March, 1998 the name of the Company was changed to "Thomson Travel Group (Holdings) Limited".

- (7) to guarantee in any manner, or to enter into any indemnity or other arrangement in relation to, the discharge, observance or performance of any liabilities of any person, including, but without limitation, any body corporate which is a holding company, a subsidiary or a fellow subsidiary of the Company and to secure any such guarantee, indemnity or arrangement or the discharge, observance and performance of any liabilities of any person (including, but not limited to, any such body corporate) by any mortgage, charge, pledge, lien or other security of any kind over the whole or any part of the undertaking and assets of the Company, including its uncalled capital;
- (8) to give any financial assistance that may lawfully be given in connection with the acquisition of shares in the Company or any other company which is its holding company;
- (9) to provide or arrange for any pension, lump sum payment, gratuity, life, health, accident and other insurance and other benefit (pecuniary or otherwise) of any kind to or for the benefit of any individual who is or has been a director of, or employed by, or who provides or has provided services to or for, the Company or any body corporate which is or has been a subsidiary, holding company or fellow subsidiary of the Company or otherwise connected with the Company or any predecessor in business of the Company or of any such subsidiary, holding company or fellow subsidiary or connected company and to or for the benefit of any present or former spouse, child or other relative or dependant of such individual or any other person who has or formerly had with any such individual any such connection as the directors may specify; and for those purposes to establish or participate in any fund or scheme, to effect or contribute to any form of insurance and to enter into any other arrangement of any kind which the directors may approve;
- (10) to support and subscribe to any institution or association which may be for the benefit of the Company or its directors or employees or connected with any town or place where the Company carries on business, to support and subscribe to any charitable or public object whatsoever and to make donations to bodies, associations or causes with political objects;
- (11) to act as trustee, personal representative, director or agent of any kind and for any purpose;
- (12) to exercise any power of the Company for any consideration of any kind or for no consideration;

and it is declared that:

- (a) this clause shall be interpreted in the widest and most general manner and without regard to the *eiusdem generis* rule or any other restrictive principle of interpretation;
- (b) each of the above subclauses shall, unless it expressly provides to the contrary, be deemed to set out a separate, distinct and independent object of the Company and not a power ancillary or incidental to the objects set out in any other subclause;
- (c) each subclause is without prejudice to the generality of the objects and powers conferred by any other subclause and no subclause shall be in any way limited or restricted by reference to or inference from any other subclause; and

(d) in this clause:

- (i) "assets" includes property, rights and interests of every description, whether present or future, actual or contingent and wherever situate;
- (ii) "dispose of", in relation to an asset, includes surrendering or extinguishing it, and also creating or granting it or any interest or right out of or in respect of it;
- (iii) "liabilities" includes debts and obligations of every description, whether present or future, actual or contingent; and
- (iv) "person" includes any body corporate, partnership or other body of persons, whether corporate or unincorporate, and any country, territory, public authority and international organisation.²

4. The liability of each member is limited.

5. The Company's share capital is £100 divided into 100 shares of £1 each.³

² This clause 3 was altered by special resolution passed on 14th November, 1996.

³ The authorised share capital of the Company was increased and reorganised as follows:

- (a) by a special resolution passed on 22nd November, 1996 the capital of the Company was increased by £1,000,100 to £1,000,200 by the creation of 1,000,000 ordinary shares of £1 each and 100 7 per cent non-cumulative preference shares of £1 each;
- (b) by a special resolution passed on 25th November, 1996 the capital was increased by £2,500 to £1,002,700 by the creation of 250,000,000 common shares of 0.001p each;
- (c) by a written resolution passed on 19th March, 1998 each of the 1,000,100 ordinary shares of £1 each was sub-divided into 5 ordinary shares of 20p each so as to form a single class of 5,000,500 ordinary shares of 20p each;
- (d) by a written resolution passed on 3rd April, 1998 the authorised share capital of the company was reduced from £1,002,700 to £1,000,100 by the cancellation of 250,000,000 common shares of 0.001p each and 100 7 per cent. non-cumulative preference shares of £1 each in the capital of the company;
- (e) by a written resolution passed on 14th April, 1998 the authorised share capital of the company was increased by £33,003,900 to £34,004,000 by the creation of 165,019,500 ordinary shares of 20p each;
- (f) by a written resolution passed on 8th May, 1998 the authorised share capital of the company was, subject to the admission of the ordinary share capital of Thomson Travel Group plc to the Official List of the London Stock Exchange on 18th May, 1998, increased by £34,004,000 to £68,008,000 by the creation of 170,020,000 ordinary shares of 20p each; and
- (g) by a written resolution passed on 29th July, 1998 the authorised share capital of the company was increased by £68,008 to £68,076,008 by the creation of 340,040 ordinary shares of 20p each.

I, the subscriber to this memorandum of association, wish to form a company pursuant to this memorandum; and I agree to take the number of shares shown opposite my name.

Name and address of subscriber	Number of shares taken by subscriber
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Alnery Incorporations No. 1 Limited 9 Cheapside London EC2V 6AD	1
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D.W. Stewart
for and on behalf of
Alnery Incorporations
No. 1 Limited

	—
Total shares taken	1
	—

Dated 8th July, 1996

Witness to the above signature:

E.G. Rouse
9 Cheapside
London EC2V 6AD

Company number
3226964

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

OF

THOMSON TRAVEL GROUP (HOLDINGS) LIMITED

(Adopted by written resolution passed on 29th July, 1998)

PRELIMINARY

1. Except as otherwise provided in these articles, the regulations contained in Table A shall apply to the Company. For the purposes of these articles, Table A means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985.
2. (1) In these articles, unless the contrary intention appears:
 - (a) the "Directors" means the directors for the time being of the Company;
 - (b) the "Office" means the registered office for the time being of the Company;
 - (c) the "Register" means the register of members of the Company;
 - (d) the "Statutes" means the Companies Act 1985 (the "Act") and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act; and
 - (e) words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations.
- (2) Headings to these articles are inserted for convenience and shall not affect construction.

SHARE CAPITAL

3. (1) The authorised share capital of the Company is £68,076,008 divided into 340,380,040 ordinary shares of 20p each (the "Ordinary Shares").
- (2) The Directors are generally and unconditionally authorised, in accordance with section 80 of the Act, to exercise all the powers of the Company to allot relevant securities up to a maximum nominal amount of £68,076,008. This authority shall expire on the day five years after the adoption of these articles but the Company may, before the authority expires, make an offer or agreement which would or might require relevant securities to be allotted after it expires.
- (3) Section 89(1) of the Act (which regulates the power to allot equity securities, as defined in section 94 of the Act) is excluded.

GENERAL MEETINGS

4. (1) A general meeting or a meeting of any class of members of the Company may consist of a conference between members some or all of whom are in different places provided that each member who participates is able:
 - (a) to hear each of the other participating members addressing the meeting; and
 - (b) if he so wishes, to address all of the other participating members simultaneously,whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.
- (2) A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of members required to form a quorum.
- (3) A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
- (4) A resolution put to the vote of a meeting shall be decided by each member indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains. Regulation 46 of Table A shall be amended accordingly.
- (5) References in this article to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

SHAREHOLDERS' RESOLUTIONS

5. A resolution in writing signed or approved by letter, facsimile, telegram or telex by or on behalf of all the members of the Company who would be entitled to vote on it if it had been proposed at a general meeting or at a meeting of any class of members of the

Company shall be as valid and effectual as if it had been passed at a general meeting or at such class meeting (as the case may be) duly convened and held. The resolution may be contained in one document or in several documents in like form each stating the terms of the resolution accurately and signed by or on behalf of one or more of the members. This article is in addition to, and not limited by the provisions in sections 381A, 381B and 381C of the Act. Regulation 53 of Table A shall not apply.

VOTES OF MEMBERS

6. (1) A proxy appointed by a member of the Company under section 372 of the Act may vote on a show of hands as well as on a poll, but no person present shall be entitled to more than one vote on a show of hands except as provided in regulation 50 of Table A. Regulation 54 of Table A shall be amended accordingly.
- (2) The instrument appointing a proxy and any authority under which it is executed (or such copy of the instrument or the authority or both as the Directors may approve) may be deposited at the place where the meeting or adjourned meeting is to be held at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. This provision is in addition and without prejudice to the provisions of paragraphs (a), (b) and (c) of regulation 62 of Table A and the last provision of regulation 62 shall be amended accordingly.

DIRECTORS

7. (1) The holders of a majority of the ordinary shares in the Company in issue may appoint any person as a Director of the Company and may remove any Director. Any appointment or removal shall be made in writing signed by the holders of the majority of the ordinary shares in the Company in issue and, in the case of a body corporate holding any of those shares, the signature of any officer or other duly appointed representative shall suffice. Any appointment or removal shall take effect when it is lodged at the Office or produced at any meeting of the Directors.
- (2) In addition to the circumstances set out in regulation 81 of Table A the office of a Director shall be vacated if he is removed from that office in accordance with this article.
- (3) The Directors may appoint any person who is willing to act to be a Director, either to fill a casual vacancy or as an additional Director.
- (4) The Directors shall not be subject to retirement by rotation and regulations 73 to 80 (inclusive) and the last sentence of regulation 84 of Table A shall not apply.
- (5) No Director shall vacate his office or be ineligible for re-appointment as a Director, nor shall any person be ineligible for appointment as a Director, by reason only of his having attained a particular age.
- (6) No special notice is required of any resolution appointing or approving the appointment of such a Director nor is any notice required to state the age of the person to whom the resolution relates.

ALTERNATE DIRECTORS

8. (1) In addition to the persons mentioned in regulation 65 of Table A, any Director may appoint a director of any holding company of the Company or of any other subsidiary of that holding company or any person approved by a majority of the other Directors to act as an alternate Director.
- (2) An alternate Director shall be entitled to receive notice of all meetings of the Directors, to attend and to vote at any meeting at which the Director appointing him is not personally present and at that meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at that meeting the provisions of these articles shall apply as if he was a Director. Regulation 66 of Table A shall not apply.
- (3) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate, in addition to his own vote if he is also a Director, but he shall count as only one for the purpose of determining whether a quorum is present. The last sentence of each of regulations 88 and 89 of Table A shall not apply.
- (4) Any person appointed as an alternate Director shall vacate his office as an alternate Director if the Director by whom he has been appointed ceases to be a Director or removes him or on the happening of any event which, if he is or were a Director, causes or would cause him to vacate that office. Regulation 67 of Table A shall not apply.
- (5) An alternate Director shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of the Director appointing him. Regulation 69 of Table A shall not apply.

POWERS OF DIRECTORS

9. (1) The powers of the Directors mentioned in regulation 87 of Table A shall be exercisable as if the word "executive" (which appears before the word "office") were deleted.
- (2) Without prejudice to any other of their powers, the Directors may exercise any of the powers conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.
- (3) The Directors may delegate any of their powers, authorities and discretions (with power to sub-delegate) to any committee consisting of such person or persons (whether Directors or not) as they think fit, provided that the majority of the members of the committee are Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are Directors. The Directors may make any such delegation on such terms and conditions as they think fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Any committee so formed shall, in the

exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the Directors.

- (4) The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the Directors and (subject to such regulations) by these articles regulating the proceedings of the Directors so far as they are capable of applying.
- (5) Regulation 72 of Table A shall not apply.
- (6) The Directors may satisfy a dividend wholly or partly by the distribution of assets and may settle any difficulty which may arise in regard to such distribution.

PROCEEDINGS OF DIRECTORS

- 10. Provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director may vote as a Director on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty and, if he votes, his vote shall be counted and he shall be counted in the quorum when that resolution or matter is under consideration. Regulations 94 to 96 (inclusive) of Table A shall not apply.
- 11. Notices of meetings of the Directors shall be given to all Directors and to any alternate Directors appointed by them. Regulation 88 of Table A shall be amended accordingly.
- 12. Regulation 93 of Table A (written resolutions of Directors) shall apply as if the word "signed" included "approved by letter, facsimile, telegram or telex".
- 13. (1) A meeting of the Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:
 - (a) to hear each of the other participating Directors addressing the meeting; and
 - (b) if he so wishes, to address all of the other participating Directors simultaneously,whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.
- (2) A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Directors required to form a quorum, subject to the provisions of article 10.
- (3) A meeting held in this way is deemed to take place at the place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

SEAL

14. (1) The Company may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the Directors.
- (2) The Directors shall provide for the safe custody of every seal which the Company may have.
- (3) A seal shall be used only by the authority of the Directors or a duly authorised committee but that authority may consist of an instruction or approval given by letter, facsimile, telegram, telex or telephone by a majority of the Directors or of the members of a duly authorised committee.
- (4) The Directors may determine who shall sign any instrument to which a seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.
- (5) Unless otherwise decided by the Directors:
- (a) certificates for shares, debentures or other securities of the Company to which a seal is applied need not be signed; and
 - (b) every other instrument to which a seal is applied shall be signed by at least one Director and the secretary or by at least two Directors.
- (6) Certificates for shares, debentures or other securities of the Company need not be sealed with the seal but may be signed on behalf of the Company by at least one Director and the secretary or by at least two Directors or by such other person or persons as may be authorised by the Directors for that purpose. Regulation 6 of Table A shall be amended accordingly. Regulation 101 of Table A shall not apply.

NOTICES

15. (1) The Company may give any notice to a member either personally or by sending it by prepaid airmail or first class post or telex or facsimile transmission to the member at his registered address or by leaving it at that address. 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 in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- (2) Regulation 112 of Table A shall not apply and regulation 116 shall apply as if the words "within the United Kingdom" did not appear.
16. (1) Proof that:
- (a) an envelope containing a notice was properly addressed, prepaid and posted (by airmail or first class post, where available); or

- (b) a telex or facsimile transmission setting out the terms of a notice was properly despatched

shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiry of 24 hours after the envelope containing it was so posted or, in the case of telex or facsimile transmission, when despatched.

- (2) Regulation 115 of Table A shall not apply.

INDEMNITY

- 17. (1) Subject to the provisions of and to the extent permitted by the Statutes, every Director, other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, but:

- (a) this indemnity shall not apply to any liability to the extent that it is recovered from any other person; and
- (b) the indemnity is subject to such officer or auditor taking all reasonable steps to effect such recovery, so that the indemnity shall not apply to the extent that an alternative right of recovery is capable of being enforced.

- (2) Regulation 118 of Table A shall not apply.

Company number
3226964

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

THOMSON TRAVEL GROUP (HOLDINGS) LIMITED

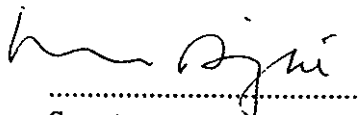
(passed on 29th July, 1998)

The following resolution was duly passed, in accordance with article 5 of the articles of association of the company, as a special resolution of the company by the sole member of the company who, at the date of this resolution, would be entitled to attend and vote at a general meeting of the company.

RESOLUTION

THAT:

- (1) the authorised share capital of the company be increased by £68,008 to £68,076,008 by the creation of an additional 340,040 ordinary shares of 20p each so as to form, together with the existing 340,040,000 ordinary shares of 20p each in the authorised capital of the company, a single class of 340,380,040 ordinary shares of 20p each ranking pari passu in all respects; and
- (2) the regulations contained in the printed document marked "A" be adopted as the articles of association of the company in substitution for all existing articles of association of the company.


.....
Secretary