

Company No 04328016

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

TUBE LINES (HOLDINGS) LIMITED

Resolution in respect of Tube Lines Limited

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- 1 Peter Hendy is shareholder representative of Tube Lines (Holdings) Limited in respect of its subsidiary company, Tube Lines Limited ("TLL").
- 2 It is **RESOLVED THAT** the draft regulations attached to this resolution be adopted as the articles of association of TLL in substitution for, and to the exclusion of, TLL's existing articles of association



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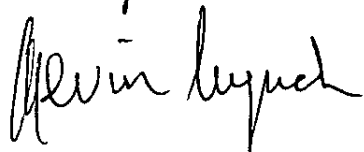
Peter Hendy, Shareholder Representative

27 July 2010

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Date

Certified a true copy of the original



9 SEPTEMBER 2010

KEVIN LYNCH

SOLICITOR

42-50 VICTORIA STREET

LONDON

SW1H 0TL

THURSDAY



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COMPANIES HOUSE

**THE COMPANIES ACTS 1948 TO 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NEW ARTICLES OF ASSOCIATION**  
**OF**  
**TUBE LINES LIMITED**  
**ADOPTED BY SPECIAL RESOLUTION**  
**PASSED ON 27 JULY 2010**

**1 TABLE A**

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at 2 July 2007 ("Table A") shall apply to the Company save in so far as they are excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall be the regulations of the Company

**2 INTERPRETATION**

In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context

<b>"these Articles"</b>	these Articles of Association, whether as originally adopted or as from time to time altered by special resolution
<b>"Companies Act 1985"</b>	the Companies Act 1985 (as amended from time to time)
<b>"Companies Act 2006"</b>	the Companies Act 2006 (as amended from time to time)
<b>"the directors"</b>	the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company

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<b>“electronic address”</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means
<b>“electronic form” and “electronic means”</b>	have the meaning given in section 1168 of the Companies Act 2006
<b>“Finance Obligor”</b>	the Company and Tube Lines (Holdings) Limited (company registration number 4328016) whose registered office is at Windsor House, 42-50 Victoria Street, London SW1H 0TL and any other company controlled by Tube Lines (Holdings) Limited and established to raise finance for the purposes of on-lending the proceeds thereof to the Company, and for the purposes of this definition “controlled” shall mean (a) holding more than 25% of the voting rights exercisable at general meetings of the members of a person on all matters, substantially all matters or any other decisions relating to the constitution of that person, or (b) the right to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors of a person on all matters, substantially all matters or any other decisions relating to the constitution of the board
<b>“GLA Act”</b>	the Greater London Authority Act 1999 relating to the formation of the Greater London Authority
<b>“hard copy form”</b>	has the meaning given in section 1168 of the Companies Act 2006
<b>“the holder”</b>	in relation to shares means the member whose name is entered in the register of members as the holder of the shares
<b>“office”</b>	the registered office of the Company
<b>“Review Period”</b>	the consecutive 7 ½ year periods from the Transfer Date up until the date which is 30 years

	from the Transfer Date
<b>“seal”</b>	the common seal of the Company (if any)
<b>“secretary”</b>	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
<b>“share”</b>	includes any interest in a share
<b>“Shareholder Subordinated Debt”</b>	loans to the Company from the direct or indirect shareholders of the Company on terms which are subordinated as to payment and/or repayment to amounts outstanding under funding agreements which have been approved by London Underground Limited, any successor to London Underground Limited or any assignee or transferee of London Underground Limited’s approval rights with respect to such funding agreements
<b>“Special Share”</b>	the one Special Share of £1 in the share capital of the Company and the expression Special Shareholder shall mean the holder for the time being of the Special Share
<b>“Sponsor”</b>	each of Amey Plc ((company registration number 02379479) whose registered office is at 24 Hanover Square, London W1S 1JD) and Bechtel Enterprises Holdings, Inc (a company incorporated under the laws of Delaware with registration number 2057065 and whose registered office is at Corporation Trust Centre, 1209 Orange Street, Wilmington, DE 19801, USA)
<b>“standing order 1”</b>	standing order 1 entitled “Decision making structures and proceedings” as approved by Transport for London (or any successor body) to include any such amended version of standing

	order 1 as approved by Transport for London (or any successor body)
<b>“standing order 2”</b>	standing order 2 entitled “Scheme of delegation” as approved by Transport for London (or any successor body) to include any such amended version of standing order 2 as approved by Transport for London (or any successor body)
<b>“standing orders”</b>	standing order 1 and standing order 2 collectively and to include any further standing orders as approved by Transport for London (or any successor body)
<b>“the Statutes”</b>	the Companies Act as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force to Companies and affecting the Company
<b>“Statutory Arbiter”</b>	the PPP arbiter appointed under the GLA Act
<b>“Transfer Date”</b>	the date from which the Special Shareholder ceases to be the holder of any of the share capital of the Company other than the one Special Share
<b>“the United Kingdom”</b>	Great Britain and Northern Ireland

Unless the context otherwise requires, words or expressions contained in these Articles and in Table A bear the same meaning as in the Statutes but excluding any statutory modification thereof not in force when these Articles become binding on the Company Regulation 1 of Table A shall not apply to the Company

References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision

The word “address” where it appears in these Articles includes postal address and electronic address and “registered address” shall be construed accordingly

3       **COMPANY NAME**

The Company's name is Tube Lines Limited

4       **REGISTERED OFFICE**

The Company's registered office is situated in England and Wales

5       **THE COMPANY'S OBJECTS**

The Company's objects are -

- 5 1       In connection with its business to operate bus, train and/or tram services and services by water and to own and maintain buses, coaches, tramcars and ships or other vessels appropriate for the carriage of passengers, and, in any vehicle or vessel used for the carriage of passengers, goods by land or water To carry on the business of public or private conveyance proprietors and the business of repairers of, manufacture associated with repairs, and dealers in vehicles and of suppliers of accessories therefor To build garages, works, passenger, goods or other stations, shelters, offices and other buildings to be used for the purposes of any such business as is mentioned in this Memorandum To act as agents for travel of every kind and to sell tickets, vouchers and permits therefor and (in any part of the world) to make arrangements of all kinds in connection therewith
- 5 2       To do anything in relation to the trading and/or non-trading functions of To do anything in relation to the trading and/or non-trading functions of Transport for London (or any successor body established for the purposes of the Greater London Authority Act 1999 or any statutory modification or re-enactment thereof (hereafter referred to as the "GLA Act")) that concern the acquisition, construction, maintenance, development or operation of any means of carriage by waterway which may at any time be delegated to the Company or otherwise performed by it and which Transport for London (or any such successor body) would be empowered to do (whether directly or through a subsidiary) for the purposes referred to in section 154(3)(b) and (c), GLA Act (being facilitating the promotion of safe, integrated, efficient and economic transport facilities to, from and within Greater London and securing or facilitating the implementation of the Mayor of London's transport strategy) and provided that the exercise of such functions shall be -
- (1)       in accordance with such guidance and directions as may be issued in relation to those functions by the Mayor of London pursuant to section 155(1), GLA Act, and

- (11) subject to such conditions as may be imposed by Transport for London (or any such successor body) in relation to such exercise,

notwithstanding if such would otherwise be the case, that the exercise of such functions for any such purpose or the compliance with any such guidance and/or directions and/or conditions may not confer any apparent advantage or benefit on the Company **Provided always** that the Company shall not whether in the exercise of such functions or the pursuit of any other objects or powers of the Company do anything which Transport for London (or any such successor body) has no power to do (including anything which Transport for London has no power to do because the consent of the Secretary of State has not been obtained) or which Transport for London (or any such successor body) has been directed by the Mayor of London not to do

- 5 3 To carry on business as a general commercial company and to this end to undertake for profit, directly or indirectly, whether by itself or through subsidiary, associated or allied companies or firms in the United Kingdom or elsewhere in all or any of its branches any business, undertaking, project or enterprise of any description whether of a private or public character and all or any trades processes and activities connected therewith or ancillary or complimentary thereto, to operate undertake or carry out any service industry or to promote, assist, invest in, finance and receive commissions on investments in all types of business venture and trading operations whether manufacturing marketing, industrial, commercial or in the supply or service industries, to hold all kinds of shares, securities, investments, stocks, bonds, debenture and debenture stocks, life and insurance policies, rights, privileges, leases, underleases and all types of real, freehold and leasehold property and to invest money in all forms of business in the United Kingdom or abroad with a view to the financial benefit of the Company and receiving income therefrom
- 5 4 To act as agents, contractors, managers, advisers and consultants in relation to any such business as is mentioned in this Memorandum
- 5 5 To acquire and undertake the whole or any part of the business, property and liabilities of any person or company, including all the issued shares of a company carrying on or proposing to carry on, or possessed of property suitable for the purposes of this Company, or which is capable of being conducted so as directly or indirectly to benefit this Company
- 5 6 To manage and co-ordinate the business of the Company and its subsidiaries and to engage in and carry on any other business which may, in the opinion of the

Company, be advantageously or conveniently carried on by the Company in connection with or as auxiliary or incidental to the businesses of the Company or any of its subsidiaries

- 5 7 To promote and form other companies for all or any of the objects mentioned in this Memorandum and to transfer to any such company all or any of the property of this Company, subject to the approval of Transport for London (or any successor body), and to take or otherwise acquire and hold shares, debentures or other securities in any such company and to find or otherwise assist any such company
- 5 8 To acquire by purchase, lease, exchange, hire or otherwise lands and property of any tenure (whether real or personal) or any interest in the same for it in connection with the purposes of the Company's business
- 5 9 To receive money on deposit upon such terms as the Company may approve
- 5 10 To borrow or raise money or secure or discharge any debt or obligation (whether of the Company or any other person) in such manner as the Company thinks fit and in particular (but without limitation) by the creation or issue of securities of any kind or mortgages, charges or liens of any description, or without any such security
- 5 11 To sell, lease, exchange, let on hire, mortgage or otherwise dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof, for such consideration as the Company may think fit, and, in particular, for stock, shares, debentures or other securities of any other company, whether or not having objects altogether, or in part similar to those of this Company
- 5 12 To improve, manage, develop or grant rights or privileges in respect of or otherwise deal with all or any part of the property rights of the Company
- 5 13 To pay for any rights or property acquired by the Company and to remunerate any person or company, whether by cash payment or by allotment of shares, debentures or other securities of this Company credited as paid up in full or in part or otherwise
- 5 14 To invest and deal with the monies of the Company not immediately required, in any manner
- 5 15 To lend money with or without security, but not to carry on the business of a registered money lender
- 5 16 To fund, financially assist or support any other person in carrying out its engagements, including (without limitation) any body corporate which is a parent

undertaking of the Company or other subsidiary undertaking of such parent undertaking, whether by the making of loans, the giving of guarantees or otherwise, notwithstanding that no consideration or advantage is received by the Company and for this purpose the terms “parent undertaking” and “subsidiary undertaking” shall be construed in accordance with section 258 and Schedule 10A, Companies Act 1985

- 5 17 To establish and support funds or institutions calculated to benefit Directors, ex-Directors, employees or ex-employees of the Company or its subsidiaries or its or their predecessors in business or the dependants or connections of such persons and to grant or secure the grant of pensions and allowances to any of them and to subscribe or guarantee money for charitable objects
- 5 18 To pay out of the funds of the Company all expenses which the Company may lawfully pay of, or incidental to, the formation and registration of the Company and the issue of its capital
- 5 19 To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others to procure the Company to be registered or recognised in any foreign country or place
- 5 20 To promote Bills in Parliament and to oppose Bills
- 5 21 To transfer any Company property, rights or liabilities by transfer scheme pursuant to the GLA Act to Transport for London or a subsidiary of Transport for London only with the prior written approval of Transport for London (and any such successor body)
- 5 22 To dispose or acquire of share holdings in excess of 25% in a company only with the prior written approval of Transport for London (or any such successor body) Any disposal or acquisition of share holdings lower than 25% in a company would not require such prior written approval
- 5 23 To dissolve or dispose of the Company at the request of Transport for London (or any such successor body)
- 5 24 To allow any member or members of the Finance Committee, Safety, Health and Environment Committee and Audit Committee of Transport for London (or any such successor body) access to the Company and any relevant information necessary for the discharge of their duties

- 5 25 To facilitate the provision of safe, efficient, integrated and economic transport facilities and services to, from and within Greater London
- 5 26 To do all such other things as are incidental or conducive to the attainment of the above objects, or any of them

And it is hereby declared that the word “company” in this clause, except where used in reference to this Company, shall be deemed to include any person or partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that words denoting the singular number only shall include the plural number and vice versa, and that the object specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be regarded as separate and independent objects of the Company and shall not be limited or restricted by reference to or interference from the terms of any other paragraph or the name of the Company

## **6 LIABILITY OF MEMBERS**

The liability of the members is limited

## **7 SHARE CAPITAL**

- 7 1 The issued share capital of the Company at the time of the adoption of these Articles is £4,500,501 divided into 4,500,000 ordinary shares of £1 each and one special share of £1
- 7 2 No shares comprised in the share capital of the Company from time to time shall be issued without the consent in writing of the holder or holders (in aggregate) of a majority of the voting rights in the Company (within the meaning of section 736A(2) of the Companies Act 1985) nor shall any share be issued at a discount or otherwise be issued in breach of the provisions of these Articles or of the Act
- 7 3 Regulation 4 of Table A and, in accordance with section 91(1) of the Companies Act 1985, sections 89(1) and 90(1) to (6) (inclusive) of that Act shall not apply to the Company

## **8 SPECIAL SHARE PROVISION**

- 8 1 The Special Share may only be issued to, held by and transferred to London Underground Limited, London Regional Transport, Transport for London, the Mayor of London, the Secretary of State for Department of Transport or the successor or a nominee on behalf of the Mayor of London or the Secretary of State

8 2 Notwithstanding any provision in these articles to the contrary, each of the following matters shall be deemed to be a variation of the rights attaching to the Special Share and shall accordingly only be effective with the consent in writing of the Special Shareholder

- a) The amendment or removal or alteration of the effect of all or any of the following articles or where specified parts of the following articles
  - (i) In article 2, the definitions of “Finance Obligor”, “GLA Act”, “Review Period”, “Shareholder Subordinated Debt”, “Special Share”, “Special Shareholder”, “Sponsor”, “Statutory Arbiter” and “Transfer Date”, and
  - (ii) Articles 4 1, 4 2, 4 3 and 4 4,
- b) In any particular year during the period of four years immediately following the Transfer Date, unless otherwise directed by the Statutory Arbiter, any distribution, whether by way of dividend, capitalisation, reduction of capital or otherwise or any crediting or releasing of any undrawn Shareholder Subordinator Debt commitments or of any unpaid sums in respect of any shares of the Company or making any payment or repayment in respect of Shareholder Subordinated Debt which, when aggregated with
  - (i) all other such acts during the year, and
  - (ii) all such acts during that year of any Finance Obligor, provided that this paragraph shall only apply to the extent that such amounts (A) are not, or have not been, included in any other amounts referred to in this article 4 2(b) or are not derived from any such amount and (B) arise from the performance of the Infraco Obligations under the Transaction Documents (as such terms are defined in a Master Definitions Agreement between London Underground Limited, Infraco BCV Limited, Infraco Sub- Surface Limited and the Company),
  - (iii) all payments, loans, contractual agreements or transfers of assets or rights made by the Company to any sponsor, whether directly or indirectly including where such payments, loans, arrangements or transfers are made to a third party and subsequently received by a Sponsor from a third party, during that year to the extent (in each case) it was put in place after the Transfer Date and was neither in the ordinary course of business nor on reasonable commercial terms, and

- (iv) receipt of any other benefit by any Sponsor, whether directly or indirectly, from the Company during that year which is not received in the ordinary course of business and not on reasonable commercial terms,

would exceed the agreed maximum aggregate amount to be distributed to equity providers or to be paid or repaid to providers of Shareholder Subordinated Debt for that year as set out below (provided that if the aggregate amount of all distributions, credits or releases, payments or repayments in a year is less than the agreed maximum applicable to that year, an amount equal to the difference may be distributed, credited or released, paid or repaid in any other year in the Review Period in addition to the agreed maximum for such year, subject to article 4 2(c) below

<b>Year</b>	<b>Agreed Maximum Aggregate Amount</b>
first year following Transfer Date	£10,800,000
second year following Transfer Date	£14,400,000
third year following Transfer Date	£14,400,000
fourth year following Transfer Date	£14,400,000

- c) during a particular Review Period, unless otherwise directed by the Statutory Arbiter, any distribution, whether by way of dividend, capitalisation, reduction of capital or otherwise or any crediting or releasing of any undrawn Shareholder Subordinated Debt commitments or of any unpaid sums in respect of any shares of the Company or making any payment or repayment in respect of Shareholder Subordinated Debt which, when aggregated with,
- (i) all other such acts during that Review Period,
- (ii) all such acts during that Review Period of any Finance Obligor provided that this paragraph shall only apply to the extent that such amount (A) are not, or have not been, included in any other amounts referred to in this article 4 2(c) or are not derived from any such amounts and (B) arise from the performance of the Infraco Obligations under the Transaction Documents (as such terms are defined in a

Master Definitions Agreement between London Underground Limited, Infraco BCV Limited, Infraco Sub- Surface Limited and the Company),

- (iii) all payments loans, contractual arrangements, or transfers of assets or rights made by the Company to any Sponsor, whether directly or indirectly including where such payments, loans, arrangements or transfers are made to a third party and subsequently received by a Sponsor from a third party, during that Review Period to the extent (in each case) it was put in place after the Transfer Date and was neither in the ordinary course of business nor on reasonable commercial terms, and
- (iv) receipt of any other benefit by the Sponsor, whether directly or indirectly, from the Company during that Review Period which is not received in the ordinary course of business and not on reasonable commercial terms,

would exceed the agreed maximum aggregate amount to be distributed to equity providers or to be paid or repaid to providers of Shareholder Subordinated Debt for that Review Period, as set out below, by a sum greater than £13,500,000

<b>Review Period</b>	<b>Agreed Maximum Aggregate Amount</b>
Transfer Date to 7 ½ years after Transfer Date	£104,400,000
7 ½ years after Transfer Date to 15 years after Transfer Date	£429,315,839
15 years after Transfer Date to 22 ½ years after Transfer Date	£495,171,300
22 ½ years after Transfer Date to 30 years after Transfer Date	£323,148,905

PROVIDED THAT to the extent the Company has received equity contributions or Shareholder Subordinated Debt or commitments in respect of the same in excess of £135,000,000, the consent of the Special Shareholder shall not be required pursuant to paragraph (b) or (c) for the Company to credit or release any such commitment or

to make any distribution, payment or repayment up to the amount of such additional equity or Shareholder Subordinated Debt.

8 3 The Special Shareholder shall be entitled to receive notice of and he (or his duly authorised representative) shall be entitled to attend and speak at, any general meeting or any separate meeting of the holders of any class of shares, but the Special Share shall carry no right to vote at any such meeting

8 4 The Special Shareholder may require the Company at any time to redeem the Special Share at par by serving written notice upon the Company requiring such redemption and delivering the Share Certificate for the Special Share to the Company, whereupon the Company shall redeem the Special Share for cash at par within 21 days of receipt of the share certificate for the Special Share by the Company

## 9 **LIEN**

The Company shall 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

## 10 **TRANSFER OF SHARES**

The first sentence in regulation 24 of Table A shall not apply to the Company The words “They may also” at the beginning of the second sentence of that regulation shall be replaced by the words “The directors may”

The Company shall not have authority to dispose of a share holding of more than 25%, or resolve to acquire a share holding of more than 25% in a company without the prior written approval of Transport for London (or any such successor body) Nor shall the Company dispose or transfer the whole or any part of any wholly owned subsidiary Company where the number of employees exceeds 100 without the prior written approval of the board of Transport for London (or any such successor body).

## 11 **GENERAL MEETINGS**

The directors may call general meetings and regulation 37 of Table A shall not apply to the Company

## **12 NOTICE OF GENERAL MEETINGS**

12 1 The words “or a resolution appointing a person a director” in the first sentence of regulation 38 of Table A shall be deleted

12 2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting with the exception of declaring a dividend, the consideration of the profit and loss account, balance sheet, and the reports of the directors and auditors, the appointment of and the fixing of the remuneration of the auditors and the giving or renewal of any authority in accordance with the provisions of section 80 of the Companies Act 1985

12 3 Every notice convening a general meeting shall

8 3 1 comply with the provisions of section 372(3) of the Companies Act 1985 as to giving information to members in regard to their right to appoint proxies,

8 3 2 be given in accordance with the Companies Act 2006, that is in hard copy form, electronic form or by means of a website

12 4 The Company may send a notice of meeting by making it available on a website or by sending it in electronic form and if notice is sent in either way it will be valid provided it complies with the relevant provisions of the Companies Act 2006

12 5 Notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company

## **13 PROCEEDINGS AT GENERAL MEETINGS**

13 1 The words, “save that, if and for so long as the Company has only one person as a member, one member present in person or by proxy shall be a quorum” shall be added at the end of the second sentence of regulation 40 of Table A

13 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 directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor the member or members present in person or by proxy or (being a body corporate) by representative and entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at

the meeting from which the adjournment took place Regulation 41 of Table A shall not apply to the Company

#### 14 VOTES OF MEMBERS

14 1 Regulation 54 of Table A shall not apply to the Company Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder

14 2 The words “be entitled to” shall be inserted between the words “shall” and “vote” in regulation 57 of Table A.

14 3 A member shall not be entitled to appoint more than one proxy to attend on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company Any such proxy shall be entitled to cast the votes to which he is entitled in different ways

14 4 At any time when the Company has only one member any decision which may be taken by the Company in general meeting may be made by the sole member (“Sole Member”) and shall be valid as if agreed by the Company in general meeting

14 5 If the Sole Member shall take any such decisions as it referred to in **Article 14.4** the Sole Member shall (unless such decision is made by way of a written resolution) provide the Company with a written record of the decision

14 6 Failure to comply with the provisions of **Article 14.5** shall not affect the validity of any decision made by the Sole Member and a person dealing with the Company shall not be concerned to inquire whether a written record has been provided to the Company in accordance with **Article 14.5**

#### 15 NUMBER OF DIRECTORS

15 1 Regulation 64 of Table A shall not apply to the Company

15 2 Unless and until otherwise determined by the member or members holding a majority of the voting rights in the Company (within the meaning of section 736A(2) of the Act), the number of directors shall not be less than three nor more than eighteen

16 **ALTERNATE DIRECTORS**

- 16 1 Any director (other than an alternate director) may appoint any other director or any other person approved by the member or members holding a majority of the voting rights in the Company (within the meaning of section 736A(2) of the Companies Act 1985), and willing to act, to be an alternate director and may (and shall on the instruction of the member or members holding a majority of the voting rights in the Company (as aforesaid)), remove from office an alternate director so appointed by him. Regulation 65 of Table A shall not apply to the Company.
- 16 2 Any appointment or removal by a director of his alternate director shall be in writing addressed to the secretary at the office and subject to **Article 16.1** shall be effective when received.
- 16 3 An alternate director shall be entitled to receive notice of all meetings of the directors and of all meetings of committees of the directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor at such meeting as a director in his absence. An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company 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. Regulation 66 of Table A shall not apply to the Company.
- 16 4 A director, or any such other person as is mentioned in **Article 16.1**, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present and the final sentence of regulation 88 shall not apply to the Company.
- 16 5 Save as otherwise provided in the regulations of the Company, an alternate director shall be deemed for the purposes specified in **Article 16.3** to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him. Regulation 69 of Table A shall not apply to the Company.

## 17 APPOINTMENT AND RETIREMENT OF DIRECTORS

17 1 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company

17 2 A member or members holding a majority of the voting rights in the Company (within the meaning of section 736A(2) of the Companies Act 1985) shall have power at any time, and from time to time, to appoint any person to be a director, either as an additional director (provided that the appointment does not cause the number of directors to exceed any number determined in accordance with **Article 15.2** as the maximum number of directors for the time being in force) or to fill a vacancy and to remove from office any director howsoever appointed Any such appointment or removal shall be made by notice in writing to the Company signed by the member or members making the same or, in the case of a member being a corporate body, signed by one of its directors or duly authorised officers or by its duly authorised attorney and shall take effect upon lodgement of such notice at the office

17 3 A member or members holding a majority of the voting rights in the Company (within the meaning of section 736A(2) of the Act), may appoint any person to hold any executive office in the management of the business of the Company including the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director as it shall decide for such fixed term or without limitation as to period and on such terms as it thinks fit and a person appointed to any such executive office shall (without prejudice to any claim for damages for breach of any service contract between him and the Company) if he is removed from office as a director ipso facto immediately cease to hold such executive office Regulation 84 of Table A shall not apply to the Company

## 18 DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a director shall be vacated if

18 1 he ceases to be a director by virtue of any provision of the Statutes or these Articles or he becomes prohibited by law from being a director, or

18 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or

18 3 he is, or may be, suffering from mental disorder and either

- 18 3 1 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
- 18 3 2 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
- 18 4 he resigns his office by notice to the Company, or
- 18 5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated, or
- 18 6 he is removed from office as a director pursuant to **Article 17.2**,  
and regulation 81 of Table A shall not apply to the Company

## 19 **GRATUITIES AND PENSIONS**

Regulation 87 of Table A shall not apply to the Company and the directors may exercise any powers of the Company conferred by its Memorandum of Association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the Companies Act 1989) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers

## 20 **PROCEEDINGS OF THE DIRECTORS**

- 20 1 The quorum for the transaction of business at a meeting of directors shall be three  
Regulation 89 of Table A shall not apply to the Company
- 20 2 Subject to the provisions of the Statutes, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office
  - 20 2 1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,

- 20 2.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- 20 2.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- 20 2.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
- 20 2.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of **Articles 20.2.1 to 20.2.4** (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted
- 20 3 For the purposes of **Article 20.2:**
- 20 3.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified,
- 20 3.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- 20 3.3 an interest of a person who is for any purpose of the Companies Act 1985 (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

20 4 Any director (including an alternate director) may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Companies Act 1985, he shall be entitled to vote and be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

20 5 Regulation 88 of Table A shall be amended by substituting for the sentence

“It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom ”

the following sentence

“Notice of every meeting of the directors shall be given to each director and his alternate, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service ”

20 6 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company

## 21 **THE SEAL**

If the Company has a seal it shall be used only with the authority of the directors or of a committee of the directors The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director The obligation under regulation 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a seal Regulation 101 of Table A shall not apply to the Company

## 22 **DIVIDENDS**

22 1 The directors may recommend to the Company in general meetings the payment of a dividend and the amount thereof Subject always to the provisions of the Statutes and the rights of the Special Shareholder, the Company in general meeting may declare dividends (whether or not larger or smaller than any dividend recommended by the directors and irrespective of whether any such recommendation has been

made) and the directors shall pay such dividends as so declared Regulation 102 of Table A shall not apply to the Company

## **23 CAPITALISATION OF PROFITS**

In regulation 110 of Table A, the words, “,subject to the rights of the Special Shareholder,” shall be inserted immediately after the words “The directors may” at the beginning of the first sentence

## **24 NOTICES**

24 1 In regulation 112 of Table A, the words “first class” shall be inserted immediately before the words “post in a prepaid envelope”

24 2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted Regulation 115 of Table A shall not apply to the Company

24 3 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

24 4 When a notice is sent by making it available on a website, the notice shall be deemed to have been given either when it was first made available on the website or when the member received or was deemed to have received notice of the fact that the notice was available on the website

## **25 WINDING UP**

In regulation 117 of Table A, the words “with the like sanction” shall be inserted immediately before the words “determine how the division”

26      **INDEMNITY**

26 1      Subject to the provisions of the Companies Act 1985 (as amended or restated from time to time) and so far as is permitted by law, the directors shall be indemnified out of the assets of the Company and the directors shall have the power to determine by resolution (including a resolution in writing) the scope and form of such indemnity. Regulation 118 of Table A shall not apply to the Company.

26 2      Subject to the provisions of the Companies Act 1985 (as amended or restated from time to time), the directors shall have power to purchase and maintain at the expense of the Company for the benefit of any director (including an alternate director) or auditor of the Company, insurance against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including an alternate director) or auditor in relation to the Company.

27      **APPLICATION OF THE STANDING ORDERS**

The Company shall ensure that it adheres to the Standing Orders as amended from time to time, unless to do so would contravene any Statutes or other legislation within England.