

5805963

COMPANY NO 5805963

ARTICLES OF ASSOCIATION

of

THALES RAIL SIGNALLING SOLUTIONS LIMITED¹

SATURDAY



1 INTERPRETATION

- 1 1 In these articles "Table A" means Table A as set out in the Companies (Table A-F) Regulations 1985 as amended prior to the date of adoption of these articles
- 1 2 Words and expressions defined in Table A and words and expressions defined in the Act shall bear the same meaning in these articles unless the context otherwise requires
- 1 3 Headings shall not affect the interpretation of these articles

2 ADOPTION OF TABLE A

- 2 1 The Regulations contained in Table A, except where they are excluded or modified by these articles, shall apply to the Company and together with these articles shall constitute the articles of the Company

3 AUTHORITY TO ALLOT SHARE CAPITAL

- 3 1 Subject to the provisions of the Act and these articles the directors may offer, allot, grant rights to subscribe for or to convert securities into unissued shares of the Company (whether forming part of the original or any increased share capital) to such persons, at such times and upon such terms as the directors think fit
- 3 2 In accordance with section 80 of the Act the directors are unconditionally authorised for a period of five years from the date of incorporation of the Company to allot relevant securities of the Company up to the nominal amount of the Company's unissued share capital at the date of its incorporation. The directors may make an offer or agreement pursuant to this article which may require relevant securities to be allotted after the expiry of such period
- 3 3 Sections 89(1) and 90(1) to (6) of the Act shall not apply to the allotment by the Company of any equity security

1 On 14th June 2006 the Company changed its name from Blakedew 607 Limited to Alcatel Transport Solutions UK Limited.
On 10th January 2007 the Company changed its name from Alcatel Transport Solutions UK Limited to Thales Rail Signalling Solutions Limited.

4 SHARES AND CERTIFICATES

4 1 The words “shall be sealed with the seal and” shall be deleted from regulation 6

4 2 The lien conferred by regulation 8 of Table A shall attach to all shares including fully paid shares registered in the name of any person indebted to the Company (whether he shall be the sole registered holder or one of two or more joint holders) in respect of all moneys payable by him or his estate to the Company

5 TRANSFER OF SHARES

5 1 The instrument of transfer of a subscriber share which is not fully paid need not be executed by or on behalf of the transferee Regulation 23 of Table A shall be modified accordingly

5 2 The directors may, in their absolute discretion and without notifying any reason, decline to register the transfer of any share whether or not it is a fully paid share Regulation 24 of Table A shall be modified accordingly

6 PROCEEDINGS AT GENERAL MEETINGS

6 1 If, and for so long as, the Company has only one member that member present in person or by proxy or, where that member is a corporation, its duly authorised representative shall be a quorum at any general meeting of the Company or of the holder of any class of shares Regulation 40 of Table A shall be modified accordingly

7 PROXIES

7 1 The directors may at their discretion treat as valid and properly delivered an original or a faxed copy of an instrument appointing a proxy and any authority under which it is executed which is received prior to the respective meeting at such place and in such manner as the directors may approve Regulation 62 of Table A shall be modified accordingly

8 POWERS OF DIRECTORS

8 1 The directors may delegate any of their powers (with power to sub-delegate) to committees consisting of such persons (whether directors or not) as they think fit Regulation 72 of Table A shall be modified accordingly and references in Table A to a committee of directors shall include a committee established under this article or such person or persons

- 8 2 The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or other security over its undertaking or property or any part of its uncalled capital

9 APPOINTMENT AND REMOVAL OF DIRECTORS

- 9 1 Any person who is willing to act may be appointed as a director (either to fill a vacancy or as an additional director) by the directors or by the Company by ordinary resolution
- 9 2 Any person who is willing to act may be appointed as a director (either to fill a vacancy or as an additional director) and any director may be removed from office (no matter how he was appointed) by notice in writing delivered to the office or tendered at a meeting of the directors and signed by any member or members holding shares entitling such member or members to exercise a majority of the votes at any general meeting of the Company
- 9 3 Regulations 73 to 80 (inclusive) and the last sentence of regulation 84 of Table A shall not apply
- 9 4 The office of a director shall be vacated upon the happening of any of the events mentioned in regulation 81 of Table A or if he is removed from office pursuant to these articles. Regulation 81 of Table A shall be modified accordingly
- 9 5 There shall be no shareholding qualification for directors and no person shall be ineligible for appointment as a director or be required to retire or vacate his office by reason of his having attained any particular age
- 9 6 Regulation 64 of Table A shall not apply to the Company. If and for so long as the Company has a sole director he may exercise all the powers vested in the Directors by these articles or Table A and Regulation 89 of Table A shall be modified accordingly.

10 NOTICE OF BOARD MEETINGS

- 10 1 Notice of a meeting of the directors shall be deemed to be properly given to a director if it is sent to him in writing at his last known address or any other address given by him to the Company for this purpose, or is given to him personally or verbally or by any other means authorised in writing by the director concerned. A director may waive notice of any meeting either prospectively or retrospectively. Regulation 88 of Table A shall be modified accordingly

11 DIRECTORS INTERESTS

- 11 1 Without prejudice to the obligation of any director to disclose his interest in accordance with section 317 of the Act a director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall be entitled to vote in respect of any contract or proposed contract in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present Regulations 94 and 95 of Table A shall not apply

12 PARTICIPATION IN BOARD MEETINGS

- 12 1 Any or all of the members of the board or any committee of the board may participate in a meeting of the board or that committee by means of a conference telephone or any other equipment which allows all persons participating in the meeting to communicate with each other A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly A minute of the proceedings at any such meeting shall be sufficient evidence of such proceedings and compliance with all necessary formalities if certified as correct by the Chairman of the meeting 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

13 RESOLUTION IN WRITING

- 13 1 A written resolution signed by all the directors entitled to receive notice of a meeting of the board (provided their number constitutes a quorum in accordance with these articles) or by all the members of a committee shall be as valid and effectual as a resolution passed at a meeting of the board or, as the case may be, of the committee properly called and constituted The resolution may be contained in one document or in several documents in like form each executed by one or more of the directors or members of the committee concerned and may be sent by cable, facsimile, telex or e-mail A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity Regulation 93 of Table A shall not apply

14 NOTICES

- 14 1 Any notice or other document may be served on or delivered to any member by the Company either personally or by sending it by post addressed to the member at his registered address or by fax to a number provided by the member for this purpose, or

by leaving it at his registered address, or by any other means authorised in writing by the member concerned. A member whose registered address is not in the United Kingdom and who shall not have given to the Company an address in the United Kingdom or valid fax number for the service of notices shall not be entitled to receive any notice from the Company. In the case of joint holders of a share, service on or delivery to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Regulation 112 of Table A shall not apply.

- 14 2 Any notice or other document sent by the Company by post shall be deemed to have been served or delivered twenty four hours after posting. In proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and posted. Any notice or other document left at a registered address or sent by fax or by any other means authorised in writing by the member concerned shall be deemed to have been served or delivered when it was so left or sent. Regulation 115 of Table A shall not apply.

15 INDEMNITIES

- 15 1 Every director, managing director, agent, secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings relating to his conduct as an officer of the Company whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 727 of the Act in which relief is granted to him by the court.

16 Directors' power to authorise conflict situations

- 16 1 For the purposes of section 175 of the Companies Act 2006 [CA 2006], the directors shall have the power to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as they may determine (**Conflict Authorisation**), any matter proposed to them in accordance with these articles which would, or might, if not so authorised, constitute or give rise to a situation (a **Conflict Situation**) in which a director (an **Interested Director**) has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it). Any Conflict Authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.

16 2 Where directors give a Conflict Authorisation

- (a) the terms of the Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded), and
- (b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

- 16 3 Any Conflict Authorisation will be effective only if
- (a) at the meeting of the directors at which the Conflict Situation is considered, any requirement as to quorum is met without counting the Interested Director, and
 - (b) it is agreed to without any Interested Director voting, or would have been agreed to if the votes of any Interested Director had not been counted
- 16 4 Subject to article 16 3 and the provisions of the Companies Acts, any matter proposed to the directors and any authorisation by the directors in relation to a Conflict Situation shall be dealt with in the same way as that in which any other matter may be proposed to and resolved upon by the directors
- 16 5 For the purposes of this article 16, a conflict of interest includes a conflict of interest and duty and a conflict of duties
- 16 6 An Interested Director shall be obliged
- (a) to disclose to the other directors the nature and extent of his interest in any Conflict Situation, such disclosure to be made as soon as reasonably practicable, and
 - (b) to act in accordance with any terms, limits or conditions determined by the directors under article 16 1
- 16 7 Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to article 16 1) provision that
- (a) where the Interested Director obtains (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party,
 - (b) the Interested Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the directors or otherwise) and be excused from reviewing documents and information prepared by or for the directors to the extent that they relate to that matter, and
 - (c) the Interested Director be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the relevant matter,

and anything done (or omitted to be done) by the Interested Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under article 16 1) will not constitute a breach by him of his duties under sections

16 8 Subject to article 16 9 but without prejudice to article 16 1 to article 16 7, if and for so long as the Company shall be a member of the Relevant Group, authorisation is given by the members of the Company for the time being on the terms of these articles to each director in respect of any Conflict Situation that arises because the director is also a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any other member of the Relevant Group (**Group Conflict Authorisation**) The Conflict Authorisation Terms applicable to the Group Conflict Authorisation (**Group Conflict Authorisation Terms**) are automatically set by this article 16 8 so that the director concerned

(a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and

(b) may (but shall be under no obligation to)

(i) absent himself from the discussions of, and/or the making of decisions,

(ii) make arrangements not to receive documents and information,

relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006

16 9 A Group Conflict Authorisation given or deemed given under article 16 8 may be revoked, varied or reduced in its scope or effect by special resolution

16 10 In this article 16 **Relevant Group** comprises

(a) the Company,

(b) any body corporate which is for the time being a wholly owned subsidiary of the Company,

(c) any body corporate of which the Company is for the time being a wholly owned subsidiary (**Parent**), and

(d) any body corporate (not falling within any preceding paragraph of this definition) which is for the time being a wholly owned subsidiary of the Parent

Name and Address and Description
of Subscriber

Number of Shares
taken by subscriber

Nigel Stuart Craig
Harbour Court
Compass Road
North Harbour
Portsmouth
PO6 4ST

1 Share

Dated 04 May 2006

Witness to the above signatures,

Jennifer Marianne Hayward
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