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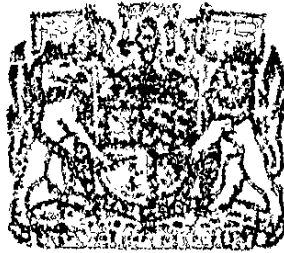


INVESTING IN PEOPLE

CHPM 4 (07/02)

(DUPLICATE FOR THE FILE.)

No. 29776



## Certificate of Incorporation.

I hereby Certify that

"The S.S.C. Sales and Services Company Limited"

is this day incorporated under the Companies Act, 1948 and that this Company is Limited.

Witness my hand at Edinburgh, this Fourth day of April

1950 at Edinburgh and Postage paid

*W. B. Collins*

Registrar of Companies.

Price Two Pence.

Form No. 41.

1948  
THE COMPANIES ACT, 1929.



A 5/-  
Compliance  
Registration  
Fee Stamp  
to be  
impressed  
here.

1948  
Declaration of Compliance with the requirements of the Companies Act, 1929, on  
application for registration of a Company.

Pursuant to Section 16(2)

Name of  
Company THE J.M.T. SALES AND SERVICE  
COMPANY Limited.

Placed at,

W. & J. WEDDERBURN, S.S.,

10, Charlotte Square,

EDINBURGH, 2.

13865

I, ROBERT WILLIAM COCHRAN, Writer to the Signet,  
of 16, Charlotte Square, Edinburgh,

Do solemnly and sincerely declare that I am (a) an Enrolled Law Agent,  
engaged in the formation

of

...THE S.L.T. SALES AND SERVICE COMPANY Limited,

And that all the requirements of the Companies Act, 1929<sup>1947</sup>, in respect of matters  
preceding to the registration of the said Company and material thereto have been  
complied with, And I make this solemn Declaration conscientiously believing the  
same to be true and by virtue of the provisions of the "Statutory Declarations Act,  
1835."

Declared at

Edinburgh

the 21<sup>st</sup> day of November  
one thousand nine hundred and forty seven  
before me.

William Dobbie

(a) A Commissioner for Oaths.

Robert Cochran  
for the County of the City  
of Edinburgh.

(a) The Statutory Declaration (No. 1) Act, 1938, in force from 1st January 1939, provides that a Commissioner for Oaths may be appointed by the Lord Advocate.  
(b) The Statutory Declaration (No. 2) Act, 1938, in force from 1st January 1939, provides that a Commissioner for Oaths may be appointed by the Lord Advocate.

NOTE. This Margin is reserved for binding, and must not be written across.

THE COMPANIES ACT, 1945

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COMPANY LIMITED BY SHARES

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MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION

OF

**The S.M.T. Sales and Service  
Company Limited**

Incorporated the      day of      1949

SHEPHERD & WEDDERBURN, W.S.  
16 CHALLOTTE SQUARE, EDINBURGH 2

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The Companies Act, 1948

COMPANY LIMITED BY SHARES

Memorandum of Association

BY

The S.M.T. Sales and Service Company  
Limited

I. The name of the Company is "The S.M.T. Sales and Service Company Limited."

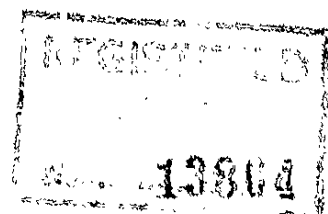
II. The Registered Office of the Company will be situate in Scotland.

III. The objects for which the Company is established are:—

(1) To acquire and take over as a going concern and carry on the Sales and Service Department of The Scottish Motor Traction Company Limited incorporated under the Companies Acts, 1908 to 1917, and having its Registered Office at New Street, Edinburgh, and with a view thereto to enter into the Agreement referred to in Article 3 of the Company's Articles of Association and to carry the same into effect, with or without modification.

(2) To carry on the business in all or any of its branches of distributors and sellers of, dealers in and servicing of motor cars, motor omnibuses, taxi cabs, motor vans, motor lorries, motor ambulances, motor boats, aeroplanes, seaplanes and other public or private conveyances of all

A



Given  
at Edinburgh, 1948

descriptions, driven or hauled by petrol, oil, steam, electric or other motor power whether on land or sea or in the air and all other description of motor machinery; and to service, repair, prepare for market and deal in all kinds of plant, apparatus, fittings, accessories, machinery and component parts thereof, tools, utensils, substances and materials and articles of all kinds, necessary, convenient or capable of being used for the purpose of any business herein mentioned, or usually dealt in in connection with any such business.

- (3) To let on hire or lease or hire-purchase all kinds of vehicles, articles and things which may be dealt in for the purposes of any business which the company is authorised to carry on.
- (4) To carry on the business of mechanical engineers, machinists, body-builders, fitters, tube makers, chain makers, wire drawers, jappanners, annealers, enamellers, electro-platers and painters.
- (5) To carry on the business of automobile store and garage keepers and to run taxis and other vehicles and boats for hire.
- (6) To carry on business as insurance agents and insurance brokers.
- (7) To carry on the business of electricians, electrical engineers, generators and storers of electricity for the purpose of motive power, light, heat or otherwise, and manufacturers of and dealers in and servicing of wireless and television sets, vacuum cleaners, clothes washers and all kinds of apparatus and articles required for or capable of being used in connection with the

generation, distribution, supply and employment of electricity.

- (8) To purchase, take on lease or in exchange hire or otherwise acquire any land, buildings, leases, rights, concessions, machinery, apparatus, plant, stock-in-trade and real, heritable, movable and personal property of any kind necessary or convenient to the Company's business, and to erect, construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary or convenient for the Company's business.
- (9) To carry on the business of a hotel, restaurant, café or tea garden as also that of public amusement caterers in any form and to combine said businesses.
- (10) To carry on any other business which may, in the judgment of the Directors, be conveniently or profitably carried on in connection with the above Company or in association therewith or may be calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights.
- (11) To acquire on any terms and subject to any condition the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorised to carry on.
- (12) To apply for, purchase, take on lease or in exchange, hire or otherwise acquire any patents, licences, concessions and the like conferring any exclusive or non-exclusive or limited right in Great Britain or Northern Ireland and India or in the British Common-

wealth of Nations and in any foreign country which may seem calculated directly or indirectly to benefit this Company, and to use, exercise, develop or grant licenses in respect thereof or otherwise turn to account the rights so acquired.

- (13) To accept payments for any rights or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments or otherwise, or in shares of any Company or Corporation with or without deferred or preferred rights in respect of dividend, or repayment of capital or Otherwise, or by means of a mortgage or any securities of any person, firm, company or corporation, or partly in one way and partly in another, and generally on such terms as the Board may determine.
- (14) To promote any Company or Companies in the United Kingdom or elsewhere for the purpose of carrying on any business which the Company is authorised to carry on or for the acquiring of all or any of the properties, rights or liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (15) To borrow and raise money for the purposes of the Company's business in such manner as the Company may think fit and also to invest the moneys of the Company not immediately required upon such securities other than the Shares of the Company as may from time to time be determined.

- (16) To mortgage and charge the undertaking and all or any of the real, heritable, personal and moveable property and all or any of the uncalled capital for the time being of the Company: to issue Debentures and Mortgage Debentures and to make, accept, endorse and execute Promissory Notes, Bills of Exchange and other negotiable instruments.
- (17) To pay for any rights or property acquired by the Company either in cash or in Shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by Debentures with or without a charge upon the property and undertaking of the Company (including uncalled capital, or any part thereof or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (18) To enter into any arrangement for sharing profits, co-operation, joint adventure or reciprocal concessions with any person or company carrying on or about to carry on or engage in any business or transaction which may seem calculated directly or indirectly to benefit this Company, and to amalgamate with any other Company and to give any person or Company special rights and privileges in connection with or control over this Company or, in particular, the right to nominate one or more Directors of this Company.
- (19) To amalgamate with any person, firm or other company whose objects are or include objects

similar to those of this Company whether by sale or purchase (for Shares or otherwise) of the undertaking subject to the liabilities of this or any such other Company as aforesaid, with or without winding-up or by sale or purchase for Shares or otherwise of all the Shares or Stock of this or any such other Company as aforesaid or by a partnership or any arrangement of the nature of partnership or in any other manner.

- (20) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and, in particular, for Shares, Debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
- (21) To sell, feu, lease, exchange or exchang ail or any of the property of the Company.
- (22) To support or subscribe to any public, trading, charitable, educational, religious or other object or to any trade or any so regulated to advance the interests of the Company or its employees or make donations or pensions to any person in the employment or formerly in the employment of the Company or the widows and children or either or these dependent upon them.
- (23) To make, draw, accept, endorse and negotiate Promissory Notes, Bills of Exchange, cheques, Bills of Lading, ship documents and other instruments negotiable or otherwise.

(24) To remunerate any person or Company for placing or subscribing or agreeing to place or subscribe, whether absolutely or conditionally, for any of the Shares or Debentures or Debenture Stock or other obligations of or for any other services in or about the promotion of or the issue of the Capital or obligations of this or any other Company, and to pay any costs of winding-up any Company, the whole or any portion of the property of which is acquired by this Company.

(25) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of Capital be made except with the sanction for the time being required by law.

(26) To do all or any of the above things in any part of the world alone or in conjunction with others, and either as principals, agents, trustees, contractors or otherwise and either by or through agents sub-contractors, trustees or otherwise.

(27) To do all such other things as are incidental or conducive to the above objects or any of them.

And it is hereby declared that the word "Company" in this Clause, except where used with reference to this Company, shall be deemed to include any partnership or body of persons whether corporate or unincorporate and whether domiciled in the United Kingdom or elsewhere, and the objects specified in the different paragraphs

of that Clause shall be in no way limited by reference to or inference from any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent Company.

IV. The liability of the members is limited.

V. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite to our respective names

| NAME, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS.   | Number of Shares taken by each Subscriber.     |
|--|--|
| James Smith<br>10 Broughton Road Edinburgh<br>Director and General Manager<br>Scottish Motor Traction Co. Ltd.<br>Robert Buchanan<br>22 Napier Road, Dalry<br>Writer to the Signet | One share<br><br><br><br><br><br><br>One share |

Dated this twenty-first day of March  
Nineteen hundred and forty-nine.

Witness to the above Signatures—

Robert Buchanan  
Writer to the Signet  
16 Charlotte Square  
Edinburgh 2



The Companies Act, 1948

COMPANY LIMITED BY SHARES

Articles of Association

OF

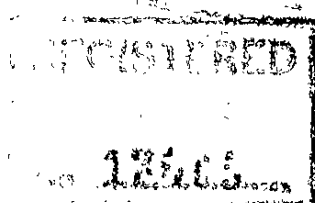
The S.M.T. Sales and Service Company  
Limited

PRELIMINARY.

1. The regulations contained in Table "A" in the first Schedule to the Companies Act, 1948, or any substituted Table, shall not apply to this Company, but the following shall be the Articles of the Company.

2. In these Articles "the Act" means the Companies Act, 1948. When any provision of the Act is referred to, the reference is to that provision as modified by any Statute for the time being in force. In these Articles, unless the context otherwise requires, expressions defined in the Act, or any statutory modification thereof in force at the date at which these Articles become binding, shall have the meanings so defined; and words importing the singular number only shall include the plural number, and *corpora*, words in the masculine gender shall include the feminine *corpora*, words importing persons shall include corporations.

C



3. The Company shall forthwith enter into an Agreement with The Scottish Motor Traction Company Limited, incorporated under the Companies Acts, 1908 to 1931, and having its Registered Office at New Street, Edinburgh, in terms of the Draft Agreement which has been signed by the subscribers to the Memorandum of Association for purposes of identification being the Agreement mentioned in Clause III (1) of said Memorandum, and the Directors shall carry same into effect, with or without modification, as they shall think fit.

4. The Company is a Private Company and accordingly (a) the number of the members of the Company (exclusive of persons who are in the employment of the Company and of persons who, having been formerly in the employment of the Company, were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty, (b) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited, (c) the right to transfer the Shares of the Company is restricted in the manner hereinafter prescribed, (d) the Company shall not have power to issue share warrants to bearer

5. The Directors may at any time require any person whose name is registered in the register of members of the Company to furnish them with any information supported (if the Directors so require) by a statutory declaration, which they may consider necessary for the purpose of determining whether or not the Company is an exempt private Company within the meaning of subsection (4) of section 129 of the Act.

## CAPITAL.

### SHARES.

6. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each.

7. Subject to the provisions of these Articles, all or any unissued Shares of the Company may be allotted to such persons, and on such terms, as the Directors may determine; and the Directors may make arrangements on the issue of Shares for a difference between the holders in the amount of calls to be paid and in the terms of payment.

8. Any Share in the Company may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of Share Capital, or otherwise as the Directors may from time to time determine, and any Preference Share may, with the sanction of a Special Resolution, be issued on the terms that it is or at the option of the Company is liable to be redeemed. No part of the funds of the Company shall directly or indirectly be employed in the purchase of, or in loans upon the security of, the Company's Shares, but nothing in this Article shall prohibit transactions mentioned in the proviso to section 54 (1) of the Act.

9. Save as herein provided, or as ordered by a court of competent jurisdiction, or as by statute required, the Company shall not be bound by, or be compelled in any way to recognise, even when having notice thereof, any trust or right in respect of a Share other than an absolute right thereto in the registered holder thereof for the time being, or such other rights, in case of transmission thereof, as are hereinafter mentioned.

10. The Company may, in addition to any lawful brokerage, pay a commission either in cash or Shares, or partly in cash and partly in Shares, for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in the Company, or procuring or agreeing to procure subscriptions, (whether absolute or conditional) for any Shares in the Company, but so that if the commission shall be paid or payable out of Capital the statutory conditions and requirements shall be observed and complied with, and the commission shall not exceed 10 per cent. of the price at which the Shares in respect of which the commission is paid are issued.

#### SHARE CERTIFICATES.

11. Every person whose name is entered as a Member in the Register of Members shall, without payment, be entitled to a certificate under the common seal of the Company, specifying the Share or Shares held by him and the amount paid up thereon, provided that, in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate, and delivery of a Certificate for a Share to one of several joint holders shall be sufficient delivery to all. The Company shall, within one month after the allotment of any Shares, complete and have ready for delivery Certificates of Shares allotted, unless the conditions of issue of the Shares otherwise provide. If a Share Certificate is defaced, lost, or destroyed, it may be renewed on payment of such fee, if any, not exceeding one shilling, and on such terms, if any, as to evidence and indemnity, as the Directors think fit.

#### LIEN ON SHARES.

12. The Company shall have a lien on every Share (not being a fully-paid Share) for all moneys (whether

presently payable or not) called or payable at a fixed time in respect of such Share, and the Company shall also have a lien on all Shares (other than fully-paid Shares) standing registered in the name of each Member for all moneys presently payable by him to the Company; but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a Share shall extend to all dividends payable thereon. Unless otherwise agreed, the registration of a transfer of Shares shall operate as a waiver of the Company's lien (if any) upon such Shares.

13. The Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share, or the person entitled by reason of his death or bankruptcy to the Share.

14. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the Shares prior to the sale) be paid to the person entitled to the Shares at the date of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### CALLS ON SHARES.

15. The Directors may from time to time make Calls upon the Members in respect of any moneys unpaid on their Shares. A Call shall be deemed to have been made at the time when the resolution of the Directors authorising such Call was passed, and may be for such amount and payable at such time and place as the Directors shall determine, and each Member shall pay the amount of every Call so made on him to the persons and at the times and places appointed by the Directors. A Call may be made payable by instalments.

16. The joint holders of a Share shall be jointly and severally liable to pay all Calls in respect thereof, and such several liability shall, notwithstanding anything herein contained, remain and be enforceable against the estate of any deceased joint registered holder.

17. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at the rate of 10 per cent. per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

18. The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the amount of the Share, or by way of premium, as if the same had become payable by virtue of a Call duly made and notified.

19. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and or paid upon any Shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Member paying the sum in advance and the Directors.

#### TRANSFER AND TRANSMISSION OF SHARES.

20. The Instrument of transfer of any Share in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof. Such Instrument of Transfer shall be sufficiently attested if the signatures thereto are exhibited in the presence of one witness, and shall be retained by the Company.

21. Shares in the Company shall be transferred in the following form or in any usual or common form which the Directors shall approve.

I, \_\_\_\_\_ of \_\_\_\_\_ in  
consideration of the sum of \_\_\_\_\_  
paid to me by \_\_\_\_\_  
of \_\_\_\_\_ (hereinafter  
called "the said transferor") do hereby transfer to  
the said transferee \_\_\_\_\_ shares  
numbered \_\_\_\_\_ inclusive in the  
undertaking called THE S.M.T. SALES AND  
SERVICE COMPANY LIMITED, to hold unto the said  
transferee, subject to the several conditions on  
which I hold the same.

And I, the said transferee, do hereby agree to take the said shares subject to the conditions aforesaid.

As witness our hands the                      day of

Witness to the signatures of, etc

22. The Directors may in their absolute discretion without assigning any reason decline to register any transfer of Shares to a person of whom they do not approve, and may also decline to register any transfer of Shares on which the Company has a lien. The Directors may suspend the registration of transfers during such time or times as they think fit but not exceeding in the aggregate thirty days in any one year. The Directors may decline to recognise any Instrument of Transfer unless (a) a fee not exceeding two shillings and sixpence is paid to the Company in respect thereof, and (b) the Instrument of Transfer is accompanied by the Certificate of 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. If the Directors refuse to register a transfer of any Shares, they shall, within twenty-eight days after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal. The Company shall be entitled to charge a fee not exceeding two shillings and sixpence on the registration of every Confirmation, Probate, Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other instrument.

23. The Company shall, within one month after the registration of the transfer of any Shares, complete and have ready for delivery Certificates of such Shares, unless the conditions of issue of such Shares otherwise provide.

24. The executors or administrators of a deceased sole holder of a Share shall be the only persons recognised by the Company as having any title to the Share. In the case of a Share registered in the names of two or more holders the survivor or survivors, or the executors or administrators of the deceased last survivor, shall be the persons recognised by the Company as having any title to the Share.

25. Any person becoming entitled to a Share in consequence of the death, bankruptcy, lunacy or other incapacity of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the Share, or, instead of being registered himself, to make such transfer of the Share as the deceased, bankrupt, lunatic or otherwise incapable person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the deceased bankrupt, lunatic or otherwise incapable person before the death, bankruptcy or otherwise as aforesaid.

26. A person becoming entitled to a Share by reason of the death, bankruptcy, lunacy or other incapacity of the holder, shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

## FORFEITURE AND SURRENDER OF SHARES.

27. If a Member fails to pay any Call or Instalment of a Call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such Call or Instalment remains unpaid, serve a notice on him requiring payment of so much of the Call or Instalment as is unpaid, together with any interest which may have accrued and any expenses that have accrued by reason of such non-payment.

28. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time appointed and at the place appointed, the Shares in respect of which the Call was made will be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

30. A forfeited Share may be sold or otherwise disposed of, on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.

31. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the

Company all monies and interest which, at the date of forfeiture, were previously payable by him to the Company in respect of the Shares, but his liability shall cease if and when the Company shall have received payment in full of the nominal amount of the Shares, and all interest payable up to the date of forfeiture.

32. A statutory declaration in writing that the declarant is either a Director, or Managing Director, or Manager, or Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. The Company may receive the consideration, if any, given for the Shares on any sale or disposition hereof, and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of, and he shall thereupon be registered as the holder of the Share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the Share. The remedy of the former holder of such Share and any person claiming under or through him shall be against the Company and in damages only.

33. The provisions of these Articles as to forfeiture shall apply in the case of a non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the amount of the Share or by way of premium, as if the same has been payable by virtue of a call duly made and notified.

34. The Directors may settle the amount of any sum due by a shareholder in respect of any question as to the

holder being properly registered in respect thereof, or any gratuitous surrender of a fully-paid Share, or the surrender of any Share where the Company is entitled to forfeit the Share surrendered. Any Share so surrendered may be disposed of in the same manner as a forfeited Share.

#### CONVERSION OF SHARES INTO STOCK, AND RECONVERSION INTO SHARES.

35. The Company may by ordinary resolution convert any paid-up Shares into Stock, and may also reconvert such Stock into paid-up Shares of any denomination, and with any special rights, privileges, and conditions attached thereto.

36. The holders of Stock may transfer the same, or any part thereof in the same manner, and subject to the same regulations as, and subject to which, the Shares from which the Stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; but the Directors may from time to time, subject to the conditions contained in the resolution converting any Shares into Stock, fix the minimum amount of Stock transferable, and restrict or forbid the transfer of fractions of such minimum.

37. The holders of Stock shall, according to the amount of the Stock held by them, have the same rights, privileges, and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the Stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by any such aliquant part of Stock as would not, if existing in Shares, have conferred such privilege or advantage.

38. Such of the Articles of the Company as are applicable to paid-up Shares shall apply to Stock, and the words "Share" and "Shareholder" therein shall include "Stock" and "Stockholder."

### ALTERATION OF CAPITAL

39. The Company may from time to time by ordinary resolution increase the Capital by such sum, to be divided into Shares, of such amount as the resolution sanctioning the increase of Capital shall prescribe.

40. Any Capital raised by the creation of new Shares (except in so far as the Company on the creation thereof may determine) shall be considered as part of the original Capital, and shall be subject to the same provisions with reference to terms of issue, conversion into Stock, the payment of calls, lien, transfer, transmission, the forfeiture of Shares on non-payment of calls, and otherwise as are hereby provided.

41. The Company may by Ordinary Resolution:

- (a) Consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares.
- (b) Subdivide its existing Shares, or any of them, into Shares of smaller amount than is fixed by the Memorandum of Association, subject, nevertheless to the provisions of Section 61 (1), (2) of the Act.
- (c) Cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

42. The Company may by Special Resolution reduce its Share Capital and any Capital redemption reserve fund in any manner and with, and subject to, any incident authorised, and consent required, by law.

#### MODIFICATION OF RIGHTS OF SHARES

43. If and when the Share Capital of the Company is divided into different classes, the holders of any class of Shares may, by writing signed by the holders of three-fourths of the issued Shares of such class or by an Extraordinary Resolution submitted to a meeting of the Shareholders of such class, consent, on behalf of all the holders of Shares of such class, to all or any of the following, namely: (a) the subdivision of the Shares of the class into Shares of a smaller amount, and the giving to one or more classes of the Shares resulting from such subdivision, any preference or priority over another class or classes, in the payment of dividends or the distribution of assets or otherwise; (b) the issue, creation, or conversion of any Shares ranking equally with, or having any priority to the class passing such resolution; (c) any scheme for the reduction of the Company's Capital affecting the class of Shares, or for distribution of assets in money or in specie, and that either before or during liquidation, and although involving alteration of rights; (d) any alteration, modification, release, or abandonment of the rights of the class against the Company, its property and assets; (e) any compromise or arrangement proposed to be made between the Company and any class or classes of shareholders or creditors, provided such compromise or arrangement is one which the Court would have power to sanction under Section 206 of the Act; and such written consent or Resolution shall be binding upon all the holders of Shares of the class,

provided always that this Article shall not be read as implying the necessity for such consent in any case in which but for this Article the object of the Resolution could have been effected without it.

44. Any meeting for the purpose of the last preceding Article shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Member, not being a Director, Solicitor, or Officer of the Company, shall be entitled to notice thereof, or to attend thereat, unless he be a holder of Shares of the class intended to be affected by the resolution, and that no vote shall be given except in respect of a Share of that class, and that the quorum at any such meeting shall be persons present holding or representing by proxy not less than one-third of the Shares or Stock of the said class.

#### BORROWING POWERS.

45. The Company may, from time to time, for the purposes of the Company, raise or borrow, and re-borrow or secure the payment of any sum or sums of money to the extent of one-half of the Capital paid up in such manner and upon such terms and conditions in all respects, as the Directors may decide, and in particular and without prejudice to the foregoing generality from any Bank or person or by the issue of Bonds, Debentures, or Debenture Stock, perpetual or otherwise, payable to bearer or otherwise, or by mortgages, bonds of cash credit, scrip certificates, bills of exchange or promissory notes, or other instruments, or in such manner as it may be determined, and for such purposes the Directors may mortgage, charge, pledge, assign and convey absolutely or in security all or any of the Company's property, assets,

estate and effects, both present and future, including its Uncalled Capital, if any, for the time being, and grant to creditors powers of sale or other usual and necessary powers.

46. The Register of Mortgages required by Section 98 of the Act shall be open to inspection by a creditor or Member of the Company free, and by any other person on payment of a fee of one shilling for each inspection.

47. The Register or Registers of Holders of any Debentures issued by the Company shall be open to the inspection of the registered holder of any such Debentures, and of any holder of Shares of the Company, but subject to such reasonable restrictions as the Company may in General Meeting impose, so that at least two hours in each day are appointed for inspection. The said Register or Registers may be closed during such period or periods not exceeding in the aggregate thirty days in any year, as the Directors may from time to time determine.

## MEETINGS OF MEMBERS.

### CONVENING OF GENERAL MEETINGS.

48. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months

of its incorporation, it must not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

49. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

50. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists as provided by Section 132 of the Act. If at any time there shall not be within Great Britain sufficient Directors capable of acting to form a quorum, any Director, or any two Members of the Company, may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

51. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under the regulations

of the Company, entitled to receive such notices from the Company:

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed—

- (a) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any Member shall not invalidate the proceedings at any meeting.

#### PROCEEDINGS AT GENERAL MEETINGS.

52. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance-sheet, and the ordinary report of the Directors and Auditors, and any matters arising thereon, the election of Directors and other officers in the place of those retiring, and the fixing of the remuneration of the Auditors and Directors.

53. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business; save as herein otherwise provided, three Members personally present shall be a quorum.

54. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present within ten minutes from the time appointed for the meeting, the Members present shall be a quorum.

55. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company, but if there is no such Chairman, or if at any meeting he is not present within five minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the Members present shall choose another Director to act as Chairman. If no Director be present, or if at any meeting the Directors present decline to preside, the Members present shall choose one of their number to be Chairman.

56. The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

57. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands

unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the meeting or by at least three persons together holding or representing by proxy not less than one-tenth of the Share Capital of the Company for the time being issued, and, unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.

58. If a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

59. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

60. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman of the meeting directs. The demand of a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

## VOTES AT GENERAL MEETINGS.

61. Subject to any special order as to voting upon which any of the shares may be issued, every shareholder shall, on a show of hands, have one vote only, and on a poll one vote for every share held.

62. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

63. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by such Court, and such committee, curator bonis, or other person may, on a poll, vote by proxy.

64. No Member shall be entitled to vote at any General Meeting unless all Calls or other sums presently payable by him in respect of Shares in the Company have been paid.

65. On a poll, votes may be given either personally or by proxy.

66. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorized in writing, or, if the appointor is a corporation, either under the common seal, or signed by an officer. The signature to an instrument appointing a proxy need not be witnessed.

67. A proxy need not be a Member of the Company.

68. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

69. An instrument appointing a proxy shall be in the following form, or in any other form which the Directors shall approve:—

THE S.M.T. SALES AND SERVICE COMPANY LIMITED

" I

, of

, being a Member of THE S.M.T. SALES AND SERVICE COMPANY LIMITED, hereby appoint

of as my proxy, to vote for me and on my behalf at the Annual (or Extraordinary as the case may be) General Meeting of the Company, to be held on the day of and at any adjournment thereof.

Signed this day of

This form is to be used <sup>in favour of \*</sup> ~~against~~ the resolution.

Unless otherwise instructed the proxy will vote as he thinks fit.

\* Strike out whichever is not desired.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

70. No objection shall be allowed to the validity of any vote except at the meeting at which such vote shall be tendered; and every vote, whether given personally or by proxy, not disallowed at such meeting shall be deemed valid for all purposes. The Chairman of the Meeting shall be the sole and absolute judge of the validity of every vote tendered at such meeting and may allow or disallow the votes tendered, according as he shall be of opinion that the same are or are not valid.

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS.**

71. Any Corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the Corporation which he represents as that Corporation could exercise if it were an individual Member of the Company.

#### **MANAGEMENT.**

##### **NUMBER, APPOINTMENT AND QUALIFICATIONS OF DIRECTORS.**

72. Until otherwise determined by an Annual General Meeting the number of the Directors shall not be less than three nor more than twelve. The first Directors of the Company shall be selected in writing by a majority of the subscribers to the Memorandum of Association.

73. The qualification of a Director shall be the holding of at least one hundred shares in the Company.

74. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company but for no other purpose.

75. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but the person so chosen shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

76. Subject to the provisions of Article 72, the Directors shall have power at any time, and from time to time, to appoint a person as an Additional Director, who shall retire from office at the next following Annual General Meeting, but shall be eligible for election by the Company at that Meeting as an Additional Director.

#### REMOVAL OF DIRECTORS.

77. The Company may by ordinary resolution remove any Director, and may by an ordinary resolution appoint another person in his stead.

### DISQUALIFICATIONS OF DIRECTORS.

78. The office of Director shall be vacated if the Director—

- (a) Absents himself from the meetings of the Directors to which he is entitled to be summoned during a period of six calendar months without special leave of absence from the Directors; or
- (b) Becomes bankrupt or suspends payment or compounds with his Creditors; or
- (c) Becomes prohibited from being a Director by reason of any order made under Sections 188 of the Act; or
- (d) Is found lunatic or becomes of unsound mind;
- (e) Sends in a written resignation to the Board and the same is accepted, or not being accepted is not withdrawn within seven days, but this shall not apply to a Director who, by the terms of his appointment or of any agreement with the Company, is not entitled to resign; or
- (f) Does not within two months from the date of his appointment, obtain his qualification or if, after the expiration of the said period, he ceases at any time to hold his qualification.

79. No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, lessee or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director or his firm or partner in business shall be in any way interested, be voided,

nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, provided that the nature of his interest is disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest. Any Director may vote in respect of any contract or arrangement in which he is so interested as aforesaid, and on any question arising thereout. A general notice or knowledge that a Director is a member of any specified firm or company, and is to be regarded as interested in all transactions with that firm or company, shall be sufficient disclosure under this Article as regards such Director and the said transactions, and after such general notice it shall not be necessary for such Director to give special notice of any particular transaction with such firm or company or his interest therein.

#### PROCEEDINGS OF DIRECTORS.

80. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

81. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be two.

82 The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

83 The Directors may delegate any of their powers (except the power to make Calls and to issue Debentures or Debenture Stock or to mortgage or charge the real or heritable property of the Company) to Committees consisting of such Member or Members of their body as they think fit; any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on them by the Directors.

84 A Committee may elect a Chairman of their meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Members present may choose one of their number to be Chairman of the meeting.

85 A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the Members present, and in case of an equality of votes the Chairman shall have a second or casting vote.

86 All acts done by any meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid

as if every such person had been duly appointed and was qualified to be a Director.

87. The Directors shall cause Minutes to be made in books provided for the purpose—

- (a) Of all appointments of officers made by the Directors;
- (b) Of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
- (c) Of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of Committees of Directors;

and any such Minute, if signed by any person purporting to be Chairman of any meeting of the Directors, Committee or meeting of the Company, shall be sufficient evidence without any further proof.

88. A memorandum in writing signed by all the Directors for the time being in the United Kingdom shall be as valid and effectual in all respects as if a resolution to the like effect had been duly passed at a meeting of the Directors duly convened and held.

#### POWERS AND DUTIES OF DIRECTORS.

89. The business of the Company shall be managed by the Directors, who may carry out the whole objects for which the Company was established, and exercise all powers of the Company of every kind except as are hereby or by statute expressly required to be exercised by the Company in General Meeting, and subject in the cases prescribed to the consent of the Company in General Meeting, but no regulation after-

wards made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

90. All cheques, promissory notes, drafts, bills of exchange, and negotiable instruments, and all receipts and other documents shall be signed, drawn, accepted, and endorsed, or otherwise executed (as the case may be) in such manner as the Directors may from time to time by resolution determine.

91. All officers and servants of the Company, except the Auditors and (save as before provided) the Directors, shall be appointed by the Directors for such period at such remuneration and in all respects upon such terms as they may think fit.

92. Any Director may be appointed to, and hold any office under the Company (except that of Auditor) and retain the emoluments of such office, and may also act as broker to the Company, or in any other professional capacity, and charge and retain for his own benefit his usual professional charges in respect of all services rendered to the company.

93. The Directors shall duly comply with the provisions of the Act, and in particular the provisions in regard to the keeping of a register of mortgages and charges affecting the property of, or created by, the Company, and to keeping a register of the Directors, and in regard to sending to the Registrar of Companies an annual list of Members, and a summary of particulars relating thereto, and notice of any allotment of Shares, consolidation or increase of Capital, or conversion of Shares into Shares, and copies of resolutions, and a copy of the Register of Directors, and notifications of any changes therein.

#### REMUNERATION OF DIRECTORS.

94. The Directors (other than a Managing Director) shall be paid out of the funds of the Company by way of remuneration for their services such sums as shall from time to time be determined by the Company in General Meeting, and such remuneration shall be divided among the Directors entitled thereto in such manner as they shall from time to time agree, or, in default of agreement, equally. All remuneration under this Clause shall be deemed to accrue *de die in diem*. The Directors shall be entitled to be reimbursed out of the funds of the Company any proper expenses incurred by them in the performance of their duties, including travelling expenses for their attendance at Board or Committee Meetings or otherwise, and the execution of their duties as Directors.

#### ROTATION OF DIRECTORS

95. At the Annual General Meeting of the Company in each year one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to one-third shall, subject to the provisions of Article 100 hereof retire from office.

96. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any person may be appointed or re-appointed a Director of the Company notwithstanding that at the time of his appointment or re-appointment he shall have attained

the age of 70 and no Director of the Company shall vacate his office by reason of his having attained the age of 70 or any other age. No special notice need be given of any Resolution for the appointment or re-appointment or approving the appointment as a Director of a person who shall have attained the age of 70 and it shall not be necessary to give to the Members notice of the age of any Director or person proposed to be appointed or re-appointed as such.

97. A retiring Director shall be eligible for re-election, but no other person than a retiring Director shall be elected a Director at any Meeting of the Company unless he be a person recommended by the Board for election or unless at least five clear days' notice shall have been left at the Registered Office of the Company of the intention to propose him, together with a writing in his hand of his willingness to be elected.

98. The Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

99. If, at any Meeting at which an election of Directors ought to take place the places of the vacating Directors are not filled up, the Meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the Adjourned Meeting the places of the vacating Directors are not filled up, the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the Adjourned Meeting.

### MANAGING DIRECTOR OR MANAGER.

100. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such term, and at such remuneration (whether by way of salary or commission, or participation in profits, or partly in one way and partly in another), as they may think fit; and a Director so appointed shall not, while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of Directors; but his appointment shall be subject to determination *ipso facto* if he shall cease from any cause to be a Director, or if the Company in General Meeting shall resolve that his tenure of the office of Managing Director or Manager be determined. The remuneration to be paid to any Managing Director or Manager under this Article shall be paid by the Company in addition to the remuneration mentioned in the two immediately preceding Articles.

### COMMON SEAL.

101. The Company shall have a Common Seal, which will be under the charge of such Official or Officials as the Directors may appoint; and all Deeds and other writings bearing the Seal and signed by one Director and countersigned by the Secretary or other officer appointed for that purpose by the Directors, or signed by two Directors, shall be deemed to be sufficiently executed by the Company whether such execution is attested by witnesses or not.

## ACCOUNTS AND DIVIDENDS.

### ACCOUNTS.

192. The Directors shall cause true accounts to be kept—

Of the sums of money received and expended by the Company and the matter in respect of which such receipt and expenditure takes place;

Of all sales and purchases by the Company; and

Of the assets and liabilities of the Company.

193. The books of account shall be kept at the Registered Office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

194. The Directors shall from time to time determine whether, and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.

195. The Directors shall from time to time in accordance with Sections 148, 150 and 157 of the Act cause to be prepared and to be laid before the Company in General Meeting such Profit and Loss Accounts, Balance-Sheets, Group Accounts (if any), and Reports as are referred to in those Sections.

106. Every such Balance-Sheet shall be accompanied by a report of the Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend to the members and the amount (if any) which they propose to carry to any reserve fund according to the provisions in that behalf hereinafter contained. The Balance-Sheet shall be signed by two Directors.

107. A printed copy of every such report of the Directors, accompanied by the Balance-Sheet (including every document required by law to be annexed thereto) and Profit and Loss Account shall, not less than twenty-one days previous to the meeting, be served on each of the registered holders of shares, and in the case of joint holders on the person first named on the Register in the manner in which notices are hereinafter directed to be served. Copy of the Balance-Sheet and reports shall be sent on demand to such persons as are entitled to receive same in terms of Section 138 of the Act.

#### AUDIT.

108. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 162 of the Act.

#### PROFITS, DIVIDENDS AND RESERVE FUNDS.

109. There shall be provided and allowed for in the accounts of the Company for each year such amount (if any) as the Directors may think proper and adequate for depreciation of assets, or for a sinking fund for future depreciation of assets or loss on realisation or otherwise. The Directors shall have power from time to

time to take out and add to the profits of the Company for any year, and treat as available for payment of dividends, all or any part of the reserve fund hereinafter mentioned which shall have been made up out of profits. The balance of profits, including any balance brought forward from any preceding year, and any sum or sums taken out of the said reserve fund, shall be available for payment of dividends.

110. The Directors may also, before recommending any dividend, set aside out of the amount available for dividends such sum as they think proper as a reserve fund or as addition thereto.

111. The Directors may either employ the reserve fund in the Company's business, or may invest the same upon such investments (other than shares of the Company) as they may select, without being liable for any loss or depreciation in consequence of such investments, whether the same be usual or authorised investments for trust funds or not.

112. The reserve fund may be used for making good any adverse balance on revenue account, for the equalisation of dividends, or for making provision for exceptional losses, expenses, or contingencies, or the extension or development of the Company's business, or for writing down the value of the goodwill or other assets of the Company, or for any of the objects of the Company as defined by the Company's Memorandum of Association and the Directors may at any time (in addition to any power hereinafter conferred upon them) divide among the Shareholders, by way of bonus or dividends, any part of the reserve fund which they in their discretion may determine not to be required for the purposes aforesaid.

113. The Directors may declare in each year what is the amount available for payment of dividends, and such amount or any part thereof may be applied in payment of dividends or be otherwise disposed of as the Directors may recommend and the Shareholders in Annual General Meeting approve. All dividends shall be declared and paid with due regard to any existing priorities or differences between shares or classes of shares, but subject thereto rateably and *pari passu* according to the amount paid or credited as paid up thereon respectively.

114. The Company in Annual General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

115. The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.

116. No dividend shall be paid otherwise than out of profits.

117. No amount paid on a Share in advance of Calls shall while carrying interest, be treated for the purposes of Dividend as paid on the Share.

118. All dividends and interest shall belong and be paid (subject to the Company's lien if any) to those Members who shall be on the Register at the date at which such dividend shall be declared, or at the date on which such interest shall be payable respectively, notwithstanding any subsequent transfer or transmission of Shares.

119. If several persons are registered as joint-holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

120. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint holders to any one of such joint holders at his registered address or to such person and such address as the member or person entitled or such joint holders as the case may be may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be may direct.

121. No dividend shall bear interest against the Company.

122. The Company in General Meeting may, at any time and from time to time, capitalise any sum or sums representing the whole or any part of the profits (for the time being undivided) standing at the credit of the Company's Accounts, or any sum standing at the credit of the Reserve Funds, and including also any sums at any time received as premiums upon the issue of Shares. Subject always to any direction to the contrary that may be given by the Company in General Meeting such sum or sums shall be appropriated and distributed in and amongst the holders of the Ordinary Shares of the Company on the footing that the same shall be credited as 'capital sum' otherwise in such manner as may be decided in the Resolution making the capitalisation and the Directors shall have power to apply such sum or sums in paying up Shares, Debentures, or Debenture Stock or other obligations of the Company as shall be equal in nominal amount to the amount so capitalised and shall thereupon distribute such Shares, Debentures, Debenture Stock, or other obligations of the Company rateably among the holders of the Ordinary Shares of the Company on their respective shares. Where any difficulty

arises in regard to distribution, the Directors may settle such difficulty as they think expedient, and in particular may issue Fractional Certificates or may arrange with any Shareholder or Shareholders including any one or more of themselves, or any person, syndicate, or corporation to take up the total number of Shares represented by the sum of any fractional parts and may fix the value for distribution of such Shares, Debentures, or Debenture Stock or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties. Where deemed requisite for the purpose of constituting the title of allottees to any Shares of the Company issued and allotted in consequence of such capitalisation, the Directors may appoint any person to contract with the Company on behalf of the parties entitled to receive the said Shares for the allotment to them of such Shares, and any Agreement made under such authority shall be effective and be filed in accordance with Section 42 of the Act.

### NOTICES.

123. A notice may be given by the Company to any Member either personally, or by sending it through the post in a prepaid letter addressed to such Member at his registered address, or (if he has no registered address in Great Britain) at the address, if any, within Great Britain supplied by him to the Company for the giving of notices to him.

124. A notice may be given by the Company to the joint holders of a Share by giving the notice to the joint holder named first in the Register in respect of the Share.

125. A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Great Britain supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

126. Notice of every General Meeting shall be given in some manner hereinbefore authorised to (a) every Member of the Company, except those Members who (having no registered address within Great Britain) have not supplied to the Company an address within Great Britain for the giving of notices to them; (b) every person entitled to a Share in consequence of the death, bankruptcy, lunacy or other incapacity of a Member who, but for his death, bankruptcy, lunacy or other incapacity, would be entitled to receive notice of the meeting, and (c) the Auditor in the time being of the Company. No other persons shall be entitled to receive notices of General Meetings.

127. Any notice if given by post, shall be deemed to have been served twenty-four hours after the letter containing the same was put into the Post Office and in proving the giving of the notice it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the Post Office.

### WINDING UP.

128. The Liquidator, on any winding-up of the Company (whether voluntary or under supervision, or compulsory)

may, with the authority of an Extraordinary Meeting, divide among the contributories in kind or in specie the whole or any part of the surplus assets of the Company, and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between Members or classes of Members.

### INDEMNITY.

129. Save and except so far as the provisions of this Article shall be avoided by any provisions of the Act, the Directors, Managing Directors, Agents, Auditors, Secretary and other officials for the time being of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every of them and every of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts except such (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of conformity or for any Bankers or other persons with whom any moneys or effects belonging to the Company shall or

may be lodged or deposited for safe custody or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto except the same shall happen by or through their own wilful neglect or default respectively.

NAME, ADDRESS, AND DESCRIPTION OF STOCKHOLDERS.

James Omos  
10 Buckton Road  
Edinburgh  
Director & General Manager  
Scottish Motor Traction Co. Ltd.

Robert W. Cockburn  
22 Princes Street, Edinburgh  
Writer to the Signet

Done the 21<sup>st</sup> day of June Nineteen hundred and forty-nine.

Witness to the above Signatures—

R. W. Cockburn  
Writer to the Signet  
16 Charlotte Square,  
Edinburgh 2.

No. of Certificate

Form No. 25

THE S.M.T. SALES AND SERVICE COMPANY

LIMITED.

STATEMENT of the Nominal Capital made pursuant to s. 112 of the Stamp Act,

1894. (Note: The Stamp Duty on the Nominal Capital is ten shillings for every £100 or  
fraction of £100. Section 41, Finance Act, 1933.)

This Statement is to be filed with the Memorandum of Association, or other Document

when the Company is registered.

Prepared for registration by

Shepherd & Waddellburn, W.S.,

21 January 1934

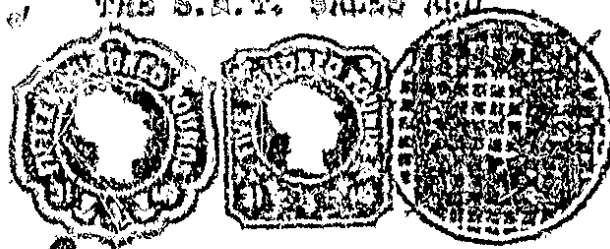
16, Charlotte Square

REGISTERED  
EDINBURGH, 2.

13806

The NOMINAL CAPITAL of THE S.M.T. SALES AND

SERVICE COMPANY



limited.

is £ 500,000 divided into 500,000 shares of £ 1

and

Company's Capital has increased to £ 2,000  
in terms of Section 55 Finance Act 1924

Signature

J. Allen  
for the Directors  
James O. Allen

Description

Directors

Date 30<sup>th</sup> March 1949

NOTE: This margin is reserved for binding, and must not be written across.

Name of Company

Price One Penny  
(Exclusive of Purchase Tax)  
Form No. 103

267/10  
THE COMPANIES ACT, 1948.



A 9/10  
of 10/10  
of 10/10  
of 10/10  
of 10/10  
of 10/10  
of 10/10  
of 10/10

Notice of Place where Register of Members  
is kept or of any change in that place.

(Pursuant to Section 110 (3))

Name  
of  
Company

... ..

Printed

Witnessed by

...

14446

of Place where Register of Members is kept or of any change  
in that place.

2000 年 12 月 10 日

[illegible]

for the 1st of March 1871

100-443887-100

received for binding.

26975  
15



The Companies Act, 1948

COMPANY LIMITED BY SHARES

## SPECIAL RESOLUTION

OF

The S.M.T. Sales and Service Company Limited

Passed 28th December 1951

At a GENERAL MEETING of the MEMBERS of THE S.M.T. SALES AND SERVICE COMPANY LIMITED, duly convened and held within the NORTH BRITISH STATION HOTEL, EDINBURGH, on Friday the 28th day of December 1951, the following Resolution was duly passed as a Special Resolution of the Company:

That the Articles of Association of the Company be altered as follows:

By inserting in Article 45 immediately after the words "to the extent of one-half of the Capital paid up," the words following:

"and of the Capital Reserve of the Company."

*John R. Clark*

*Secretary*

16

No. of Companies

216945

21

Price One Penny  
if above of Part 2 of Form No. 103

# THE COMPANIES ACT, 1948.



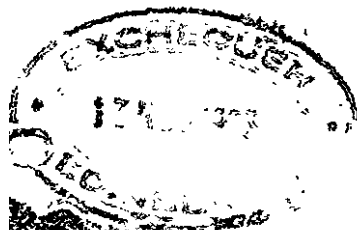
Completion  
Register of  
Members  
must be  
in writing  
late

Notice of Place where Register of Members  
is kept or of any change in that place.  
(Pursuant to Section 110 (3))

Name  
of  
Company

Limited

Presented by



REGISTERED

No. 28084

# NOTICE

of Place where Register of Members is kept in of any change  
in that place.

IN THE MATTER OF THE COMPANIES ACT, 1901

NOTICE is hereby given that the Register of Members of the  
COMPANIES ACT, 1901, is kept at the office of the  
COMPANIES ACT, 1901, at the office of the  
COMPANIES ACT, 1901, at the office of the

THE COMPANIES ACT, 1901, at the office of the

*There to be kept.*

THE COMPANIES ACT, 1901, at the office of the

THE COMPANIES ACT, 1901, at the office of the

THE COMPANIES ACT, 1901, at the office of the

THE COMPANIES ACT, 1901, at the office of the

This Margin to be reserved for binding.

*The Companies Act, 1948*

COMPANY LIMITED BY SHARES



## Special Resolution

OF

## THE S.M.T. SALES AND SERVICE COMPANY LIMITED

*Passed 26th October, 1961*

AT AN EXTRAORDINARY GENERAL MEETING of the above-named Company, held at 68 Mount Street, London, W.1, on the 26th day of October, 1961 (all members of the Company being present in person or by proxy and having consented in writing to the holding of such meeting for the purposes of passing the following Resolution as a Special Resolution without the giving of the statutory notice in that behalf), the following RESOLUTION was duly passed as a SPECIAL RESOLUTION:—

### SPECIAL RESOLUTION

That the Articles of Association of the Company be amended by the deletion of Article 83 and the substitution therefor of the following new Article:—

"83. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed upon it by the Board."



TITMUS, LAMBERT & CO  
Solicitors  
11, Abchurch Lane  
LONDON, E.C. 4

Chairman.

REGISTERED

26975 47  
The Companies Act, 1948

COMPANY LIMITED BY SHARES

## Special Resolution

OF

THE S.M.T. SALES AND SERVICE COMPANY LIMITED

*Passed 7th January, 1964*

AT an EXTRAORDINARY GENERAL MEETING of the above-named Company, held at 68 Mount Street, London, W.1, on the 7th day of January, 1964 (all members of the Company being present in person or by proxy and having consented in writing to the holding of such meeting for the purposes of passing the following Resolution as a Special Resolution without the giving of the statutory notice in that behalf), the following RESOLUTION was duly passed as a SPECIAL RESOLUTION:—

### SPECIAL RESOLUTION

That Article 73 of the Company's Articles of Association be deleted and that the following Article be substituted therefor:—

73. A Director shall require no share qualification but nevertheless shall be entitled to attend and speak at any General Meeting of the Company.

CHARLES CLORB,  
Chairman.

REGISTERED

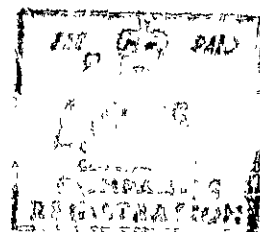
7 FEB 1964

No. 6091

7 FEB 1964

No 26075

54



The Companies Act, 1948

COMPANY LIMITED BY SHARES

## Special Resolutions

OF

THE S. M. T. SALES AND SERVICE COMPANY LIMITED

Passed 11th August, 1966

At an EXTRAORDINARY GENERAL MEETING of the Company, duly convened, and held on the above date, the following RESOLUTIONS were duly passed as SPECIAL RESOLUTIONS :—

### SPECIAL RESOLUTIONS

1. That clause 3 of the Memorandum of Association of the Company be altered by the addition thereto immediately after sub-clause (15) thereof of the following new sub-clause :—

"(15A) To guarantee, or support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods, the performance of the obligations of and the repayment or payment of the principal amounts of and premiums, interest and dividends on any securities of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company as defined by section 151 of the Companies Act, 1948, or another subsidiary as defined by the said section of the Company's holding company, or otherwise associated with the Company in business."

(P.T.O.)

2. That notwithstanding anything contained in the Articles of Association of the Company the Directors shall have power to cause the Company to guarantee any debenture stock or other obligation of its parent company, Sears Engineering Limited, and to charge its undertaking, assets and uncalled capital or any part thereof both present and future as security for such guarantee without restriction or limitation and any Director of the Company may vote and be counted in a quorum on any resolution regarding any such guarantee or charge notwithstanding that he is also a Director of Sears Engineering Limited or otherwise concerned or interested in such matter and this Resolution shall operate by way of amendment to the Articles of Association of the Company to any extent necessary for it to have effect.

  
F. J. C. GARDINER,

Director.

COMPANY LIMITED BY SHARES

Memorandum of Association

OF

THE S.M.T. SALES AND SERVICE COMPANY LIMITED

(As altered by Special Resolution passed on the 11th day of August, 1966)

I. The name of the Company is "THE S.M.T. SALES AND SERVICE COMPANY LIMITED."

II. The Registered Office of the Company will be situate in Scotland.

III. The objects for which the Company is established are:—

(1) To acquire and take over as a going concern and carry on the Sales and Service Department of The Scottish Motor Traction Company Limited incorporated under the Companies Acts, 1908 to 1917, and having its Registered Office at New Street, Edinburgh, and with a view thereto to enter into the Agreement referred to in Article 3 of the Company's Articles of Association and to carry the same into effect, with or without modification

(2) To carry on the business in all or any of its branches of distributing and selling of, dealers in and servicing of motor cars, motor omnibuses, taxi cabs, motor vans, motor cycles, motor ambulances, motor boats, aeroplanes, seaplanes and other public or private conveyances of all descriptions, driven or hauled by petrol, oil, steam, electric or other motor power whether on land or sea or in the air and all other description of motor

I hereby certify that this is a true copy of the Memorandum of Association of The S.M.T. Sales & Service Company Limited as altered by the Special Resolution passed on 11th August, 1966.

for THE S.M.T. SALES & SERVICE Co. Ltd.

Secretary

REGISTERED  
1966  
43253

machinery; and to service, repair, prepare for market and deal in all kinds of plant, apparatus, fittings, accessories, machinery and component parts thereof, tools, utensils, substances and materials and articles of all kinds, necessary, convenient or capable of being used for the purpose of any business herein mentioned, or usually dealt in in connection with any such business.

(3) To let on hire or lease or hire-purchase all kinds of vehicles, articles and things which may be dealt in for the purposes of any business which the company is authorised to carry on.

(4) To carry on the business of mechanical engineers, machinists, body-builders, fitters, tube makers, chain makers, wire drawers, japanners, annealers, enamellers, electro-platers and painters.

(5) To carry on the business of automobile store and garage keepers and to run taxis and other vehicles and boats for hire.

(6) To carry on business as insurance agents and insurance brokers.

(7) To carry on the business of electricians, electrical engineers, generators and storers of electricity for the purpose of motive power, light, heat or otherwise, and manufacturers of and dealers in and servicing of wireless and television sets, vacuum cleaners, clothes washers and all kinds of apparatus and articles required for or capable of being used in connection with the generation, distribution, supply and employment of electricity.

(8) To purchase, take on lease or in exchange hire or otherwise acquire any land, buildings, leases, rights, concessions, machinery, apparatus, plant, stock-in-trade and real, heritable, moveable and personal property of any kind necessary or convenient to the Company's business, and to erect, construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary or convenient for the Company's business.

(9) To carry on the business of a hotel, restaurant, café or tea garden as also that of public amusement caterers in any form and to combine said businesses.

(10) To carry on any other business which may, in the judgment of the Directors, be conveniently or profitably carried on in connection with the above Company or in

association therewith or may be calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights.

- (11) To acquire on any terms and subject to any condition the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorised to carry on.
- (12) To apply for, purchase, take on lease or in exchange, hire or otherwise acquire any patents, licences, concessions and the like conferring any exclusive or non-exclusive or limited right in Great Britain or Northern Ireland and India or in the British Commonwealth of Nations and in any foreign country which may seem calculated directly or indirectly to benefit this Company, and to use, exercise, develop or grant licences in respect thereof or otherwise turn to account the rights so acquired.
- (13) To accept payments for any rights or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments or otherwise, or in shares of any Company or Corporation with or without deferred or preferred rights in respect of dividend, or repayment of capital or otherwise, or by means of a mortgage or any securities of any person, firm, company or corporation, or partly in one way and partly in another, and generally on such terms as the Board may determine.
- (14) To promote any Company or Companies in the United Kingdom or elsewhere for the purpose of carrying on any business which the Company is authorised to carry on or for the acquiring of all or any of the properties, rights or liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (15) To borrow and raise money for the purposes of the Company's business in such manner as the Company may think fit and also to invest the moneys of the Company not immediately required upon such securities other than the Shares of the Company as may from time to time be determined.
- (15A) To guarantee or support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods, the performance of the obligations of and the repayment or payment of the principal

amounts of and premiums, interest and dividends on any securities of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company as defined by section 154 of the Companies Act, 1948, or another subsidiary as defined by the said section of the Company's holding company, or otherwise associated with the Company in business.

- (16) To mortgage and charge the undertaking and all or any of the real, heritable, personal and moveable property and all or any of the uncalled capital for the time being of the Company; to issue Debentures and Mortgage Debentures and to make, accept, endorse and execute Promissory Notes, Bills of Exchange and other negotiable instruments.
- (17) To pay for any rights or property acquired by the Company either in cash or in Shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by Debentures with or without a charge upon the property and undertaking of the Company (including uncalled capital) or any part thereof or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (18) To enter into any arrangement for sharing profits, co-operation, joint adventure or reciprocal concessions with any person or company carrying on or about to carry on or engage in any business or transaction which may seem calculated directly or indirectly to benefit this Company, and to amalgamate with any other Company and to give any person or Company special rights and privileges in connection with or control over this Company or, in particular, the right to nominate one or more Directors of this Company.
- (19) To amalgamate with any person, firm or other company whose objects are or include objects similar to those of this Company whether by sale or purchase (for Shares or otherwise) of the undertaking, subject to the liabilities of this or any such other Company as aforesaid, with or without winding-up or by sale or purchase for Shares or otherwise of all the Shares or Stock of this or any such other Company as aforesaid or by a partnership or any arrangement of the nature of partnership or in any other manner.

- (20) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and, in particular, for Shares, Debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
- (21) To sell, let, lease, exchange or exchange all or any of the property of the Company
- (22) To support or subscribe to any public, trading, charitable, educational, religious or other object or to any trade or any society calculated to advance the interests of the Company or its employees or make donations or pensions to any person in the employment or formerly in the employment of the Company or the widows and children or either or those dependent upon them.
- (23) To make, draw, accept, endorse and negotiate Promissory Notes, Bills of Exchange, cheques, Bills of Lading, ship documents and other instruments negotiable or otherwise.
- (24) To remunerate any person or Company for placing or subscribing or agreeing to place or subscribe, whether absolutely or conditionally, for any of the Shares or Debentures or Debenture Stock or other obligations of or for any other services in or about the promotion of or the issue of the Capital or obligations of this or any other Company, and to pay any costs of winding-up any Company, the whole or any portion of the property of which is acquired by this Company.
- (25) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of Capital be made except with the sanction for the time being required by law.
- (26) To do all or any of the above things in any part of the world alone or in conjunction with others, and either as principals, agents, trustees, contractors or otherwise and either by or through agents, sub-contractors, trustees or otherwise.
- (27) To do all such other things as are incidental or conducive to the above objects or any of them.

And it is hereby declared that the word "Company" in this Charter, except where used with reference to this Company, shall be construed to include any partnership or body of persons of either corporate or

incorporate and whether domiciled in the United Kingdom or elsewhere, and the objects specified in the different paragraphs of this Clause shall be in no way limited by reference to or inference from any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent Company.

IV. The liability of the members is limited.

V. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each.

## The Companies Acts 1948 to 1967

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COMPANY LIMITED BY SHARES

---

## SPECIAL RESOLUTION

of

THE S.M.T. SALES AND SERVICE COMPANY LIMITED

---

Passed 21st November, 1969

---

AT an EXTRAORDINARY GENERAL MEETING of the Company, duly convened, and held on the above date, the following RESOLUTION WAS duly passed as a SPECIAL RESOLUTION :-

---

SPECIAL RESOLUTION

---

That the Articles of Association of the Company be amended by the deletion of Article 45 and the substitution therefor of the following new Article :-

---

BORROWING POWERS

---

45. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to procure (as regards subsidiary companies so far as by such exercise they can procure) that the aggregate principal amount, for the time

51641

being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by any of such companies from any other of such companies) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed Four times the aggregate amount of the issued and paid up share capital of the Company and the consolidated reserves of the Company and its subsidiary companies (including any share premium account but excluding any reserves for taxation and after deducting any amount standing to the debit for the time being of any profit and loss account) as shown by the latest audited consolidated balance sheet of the Company and its subsidiary companies adjusted as may be necessary in respect of any variation of paid up capital effected or any distribution made or any shares transferred (otherwise than as transfer between the Company and/or any of its subsidiaries) since the date of such balance sheet and so that for this purpose capital allotted shall be treated as issued and any capital already called up or payable at any fixed future date shall be treated as being paid up.

Notwithstanding the provisions of this Article, no person dealing with the Company shall be concerned to see or inquire whether this limit is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the limit hereby imposed had been or would thereby be exceeded.

CHAIRMAN

*C. L. L.*

26975

/72.

*Filed in accordance with  
E.C. Act 1972.*

Memorandum  
and  
Articles of Association  
of  
**The S.M.T. Sales and Service  
Company Limited**

---

Incorporated the 4th day of April 1949

SHEPHERD & WEDDERBURN, W.S.  
16 CHARLOTTE SQUARE  
EDINBURGH 2

26.11.1972

70

THE COMPANIES ACT, 1948

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

**The S.M.T. Sales and Service  
Company Limited**

Incorporated the 4th day of April 1949

SHEPHERD & WEDDERBURN, W.S.  
16 CHARLOTTE SQUARE, EDINBURGH 2

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No. 26972

## Certificate of Incorporation

I HEREBY CERTIFY that "THE S.M.T. SALES AND SERVICE COMPANY LIMITED" is this day incorporated under the Companies Act, 1948, and that this Company is LIMITED.

Signed by me at Edinburgh, this Fourth day of April, One thousand nine hundred and forty-nine.



W. D. COLLIER  
*Registrar of Companies*

The Companies Act, 1948

COMPANY LIMITED BY SHARES

Memorandum of Association

of

The S.M.T. Sales and Service Company  
Limited

(As altered by Special Resolution passed on the 11th day of August, 1966)

I. The name of the Company is "The S.M.T. Sales and Service Company Limited."

II. The Registered Office of the Company will be situate in Scotland.

III. The objects for which the Company is established are:-

(1) To acquire and take over as a going concern and carry on the Sales and Service Department of The Scottish Motor Traction Company Limited incorporated under the Companies Acts, 1908 to 1917, and having its Registered Office at New Street, Edinburgh, and with a view thereto to enter into the Agreement referred to in Article 3 of the Company's Articles of Association and to carry the same into effect, with or without modification.

(2) To carry on the business in all or any of its branches of distributors and sellers of, dealers in and carrying of motor cars, motor omnibuses, taxi cabs, motor vans, motor lorries, motor ambulances, motor boats, aeroplanes, seaplanes and other public or private conveyances of all

descriptions, driven or hauled by petrol, oil, steam, electric or other motor power whether on land or sea or in the air and all other description of motor machinery; and to service, repair, prepare for market and deal in all kinds of plant, apparatus, fittings, accessories, machinery and component parts thereof, tools, utensils, substances and materials and articles of all kinds, necessary, convenient or capable of being used for the purpose of any business herein mentioned, or usually dealt in in connection with any such business.

- (3) To let on hire or lease or hire-purchase all kinds of vehicles, articles and things which may be dealt in for the purposes of any business which the company is authorised to carry on.
- (4) To carry on the business of mechanical engineers, machinists, body-builders, fitters, tube makers, chain makers, wire drawers, japanners, annealers, enamellers, electro-platers and painters.
- (5) To carry on the business of automobile store and garage keepers and to run taxis and other vehicles and boats for hire.
- (6) To carry on business as insurance agents and insurance brokers.
- (7) To carry on the business of electricians, electrical engineers, generators and storers of electricity for the purpose of motive power, light, heat or otherwise, and manufacturers of and dealers in and servicing of wireless and television sets, vacuum cleaners, clothes washers and all kinds of apparatus and articles required for or capable of being used in connection with the

generation, distribution, supply and employment of electricity.

- (8) To purchase, take on lease or in exchange hire or otherwise acquire any land, buildings, leases, rights, concessions, machinery, apparatus, plant, stock-in-trade and real, heritable, moveable and personal property of any kind necessary or convenient to the Company's business, and to erect, construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary or convenient for the Company's business.
- (9) To carry on the business of a hotel, restaurant, café or tea garden as also that of public amusement caterers in any form and to combine said businesses.
- (10) To carry on any other business which may, in the judgment of the Directors, be conveniently or profitably carried on in connection with the above Company or in association therewith or may be calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights.
- (11) To acquire on any terms and subject to any condition the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorised to carry on.
- (12) To apply for, purchase, take on lease or in exchange, hire or otherwise acquire any patents, licences, concessions and the like conferring any exclusive or non-exclusive or limited right in Great Britain or Northern Ireland and India or in the British Common-

wealth of Nations and in any foreign country which may seem calculated directly or indirectly to benefit this Company, and to use, exercise, develop or grant licences in respect thereof or otherwise turn to account the rights so acquired.

(13) To accept payments for any rights or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments or otherwise, or in shares of any Company or Corporation with or without deferred or preferred rights in respect of dividend, or repayment of capital or Otherwise, or by means of a mortgage or any securities of any person, firm, company or corporation, or partly in one way and partly in another, and generally on such terms as the Board may determine.

(14) To promote any Company or Companies in the United Kingdom or elsewhere for the purpose of carrying on any business which the Company is authorised to carry on or for the acquiring of all or any of the properties, rights or liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

(15) To borrow and raise money for the purposes of the Company's business in such manner as the Company may think fit and also to invest the moneys of the Company not immediately required upon such securities other than the Shares of the Company as may from time to time be determined.

(16A) To guarantee, or support or secure, whether by personal covenant or by mortgage or charging of, or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods, the performance of the obligations of and the repayment or payment of the principal amounts of and premiums, interest and dividends on or in respect of any debentures, debenture stock or other securities of any person, firm or company, including any company which is for the time being a subsidiary of the Company as defined by section 156 of the Companies Act, 1947 or another subsidiary as defined in the Company's holding company, or otherwise as may be determined.

- (16) To mortgage and charge the undertaking and all or any of the real, heritable, personal and moveable property and all or any of the uncalled capital for the time being of the Company; to issue Debentures and Mortgage Debentures and to make, accept, endorse and execute Promissory Notes, Bills of Exchange and other negotiable instruments.
- (17) To pay for any rights or property acquired by the Company either in cash or in Shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by Debentures with or without a charge upon the property and undertaking of the Company (including uncalled capital) or any part thereof or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (18) To enter into any arrangement for sharing profits, co-operation, joint adventure or reciprocal concessions with any person or company carrying on or about to carry on or engage in any business or transaction which may seem calculated directly or indirectly to benefit this Company, and to amalgamate with any other Company and to give any person or Company special rights and privileges in connection with or control over this Company or, in particular, the right to nominate one or more Directors of this Company.
- (19) To amalgamate with any person, firm or other company whose objects are or include objects

similar to those of this Company whether by  
only or purchase (for shares or otherwise) of  
the undertaking subject to the liabilities of  
this or any such other Company as aforesaid,  
with or without windings-up or by sale or  
purchase for shares or otherwise of all the  
shares or stock of this or any such other  
Company as aforesaid or by a partnership or  
any arrangement of the nature of partnership  
or in any other manner.

(20) To sell or dispose of the undertaking of the  
Company or any part thereof for such con-  
sideration as the Company may think fit and,  
in particular, for shares, debentures or  
securities of any other Company having  
objects altogether or in part similar to those  
of this Company.

(21) To sell, let, lease, exchange or exchang all or any  
of the property of the Company.

(22) To support or subscribe to any public, trading,  
charitable, educational, religious or other object  
or to any trade or any society calculated to  
advance the interests of the Company or its  
employees or make donations or pensions to  
any person in the employment or formerly in  
the employment of the Company or the  
widows and children or either or those  
dependent upon them.

(23) To make, draw, accept, endorse and negotiate  
Promissory Notes, Bills of Exchange, cheques,  
Bills of Lading, ship documents and other  
instruments negotiable or otherwise.

- (24) To remunerate any person or Company for placing or subscribing or agreeing to place or subscribe, whether absolutely or conditionally, for any of the Shares or Debentures or Debenture stock or other obligations of or for any other services in or about the promotion of or the issue of the Capital or obligations of this or any other Company, and to pay any costs of winding-up any Company, the whole or any portion of the property of which is acquired by this Company.
- (25) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of Capital be made except with the sanction for the time being required by law.
- (26) To do all or any of the above things in any part of the world alone or in conjunction with others, and either as principals, agents, trustees, contractors or otherwise and either by or through agents, sub-contractors, trustees or otherwise.
- (27) To do all such other things as are incidental or conducive to the above objects or any of them.

And it is hereby declared that the word "Company" in this Clause, except where used with reference to this Company, shall be deemed to include any partnership or body of persons whether corporate or incorporate and whether domiciled in the United Kingdom or elsewhere, and the objects specified in the different paragraphs

of this Clause shall be in nowise limited by reference to or inference from any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent Company.

IV. The liability of the members is limited.

V. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each.

The Companies Act, 1948

COMPANY LIMITED BY SHARES

Articles of Association

of

The S.M.T. Sales and Service Company  
Limited

PRELIMINARY.

1. The regulations contained in Table "A" in the first Schedule to the Companies Act, 1948, or any substituted Table, shall not apply to the Company, but the following shall be the Articles of the Company.

2. In these Articles "the Act" means the Companies Act, 1948. When any provision of the Act is referred to, the reference is to that provision as modified by any Statute for the time being in force. In these Articles, unless the context otherwise requires expressions defined in the Act, or any statutory modification thereof in force at the date at which these Articles become binding, shall have the meanings so defined; and words importing the singular number only shall include the plural number, and words importing the masculine gender shall include the feminine gender, words importing persons shall include corporations.

3 The Company shall forthwith enter into an Agreement with The Scottish Motor Traction Company Limited, incorporated under the Companies Acts, 1903 to 1917, and having its Registered Office at New Street, Edinburgh, in terms of the Draft Agreement which has been signed by the subscribers to the Memorandum of Association for purposes of identification being the Agreement mentioned in Clause III (1) of said Memorandum, and the Directors shall carry same into effect with or without modification, as they shall think fit.

4. The Company is a Private Company and accordingly (a) the number of the members of the Company (exclusive of persons who are in the employment of the Company and of persons who, having been formerly in the employment of the Company, were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty, (b) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited, (c) the right to transfer the Shares of the Company is restricted in the manner hereinafter prescribed, (d) the Company shall not have power to issue share warrants to bearer.

5. The Directors may at any time require any person whose name is registered in the register of members of the Company to furnish them with any information supported (if the Directors so require) by a statutory declaration, which they may consider necessary for the purpose of determining whether or not the Company is an exempt private Company within the meaning of sub-section (4) of section 129 of the Act.

## CAPITAL SHARES

6. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each.

7. Subject to the provisions of these Articles, all or any unissued Shares of the Company may be allotted to such persons, and on such terms, as the Directors may determine; and the Directors may make arrangements on the issue of Shares for a difference between the holders in the amount of calls to be paid and in the terms of payment.

8. Any Share in the Company may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of Share Capital, or otherwise as the Directors may from time to time determine, and any Preference Share may, with the sanction of a Special Resolution, be issued on the terms that it is or at the option of the Company is liable to be redeemed. No part of the funds of the Company shall directly or indirectly be employed in the purchase of, or in loans upon the security of, the Company's Shares, but nothing in this Article shall prohibit transactions mentioned in the proviso to section 54 (1) of the Act.

9. Save as herein provided, or as ordered by a court of competent jurisdiction, or as by statute required, the Company shall not be bound by, or be compelled in any way to recognise, even when having notice thereof, any trust or right in respect of a Share other than an absolute right thereto in the registered holder thereof for the time being, or such other rights, in case of transmission thereof, as are hereinafter mentioned.

that the Company may, at pleasure, to any holder of shares, pay a commission either in cash or shares, or partly in cash and partly in shares, for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company, or providing or agreeing to provide contingencies, (whether absolute or conditional) for any shares in the Company, but so that if the commission shall be paid in payable coin or beyond the ordinary conditions and requirements shall be observed and complied with, and the commission shall not exceed in any case of the price at which the shares in respect of which the commission is paid are issued.

#### SHARE CERTIFICATES

Any person whose name is entered as a Member in the Register of Members shall, without payment, be entitled to a certificate under the name as well as of the Company, specifying the shares to which he is entitled and the amount paid up thereon provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a Certificate for a share to one of several joint holders shall be sufficient delivery to all. The Company may, within one month after the delivery of any share certificate and have ready for delivery Certificates of Shares altered within the limitation of time of the Share certificate provided. If a Share Certificate is returned or damaged it may be renewed on payment of such fee, if any, as the directors may determine, and on such terms, if any, as the directors may determine, to the satisfaction of the directors.

#### LIEN ON SHARES

1. The Company shall have a lien on every share for any amount payable by the holder of the share.

presently payable or not) called or payable at a fixed time in respect of such Share, and the Company shall also have a lien on all Shares (other than fully-paid Shares) standing registered in the name of each Member for all moneys presently payable by him to the Company; but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a Share shall extend to all dividends payable thereon. Unless otherwise agreed, the registration of a transfer of Shares shall operate as a waiver of the Company's lien (if any) upon such Shares.

13. The Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share, or the person entitled by reason of his death or bankruptcy to the Share.

14. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the Shares prior to the sale) be paid to the person entitled to the Shares at the date of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares, and he shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## CALLS ON SHARES.

15. The Directors may from time to time make Calls upon the Members in respect of any moneys unpaid on their Shares. A Call shall be deemed to have been made at the time when the resolution of the Directors authorising such Call was passed, and may be for such amount and payable at such time and place as the Directors shall determine, and each Member shall pay the amount of every Call so made on him to the persons and at the times and places appointed by the Directors. A Call may be made payable by instalments.

16. The joint holders of a Share shall be jointly and severally liable to pay all Calls in respect thereof, and such several liability shall, notwithstanding anything herein contained, remain and be enforceable against the estate of any deceased joint registered holder.

17. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of 10 per cent. per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

18. The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the amount of the Share, or by way of premium, as if the same had become payable by virtue of a Call duly made and notified.

19. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Member paying the sum in advance and the Directors.

#### TRANSFER AND TRANSMISSION OF SHARES.

20. The Instrument of transfer of any Share in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof. Such Instrument of Transfer shall be sufficiently attested if the signatures thereto are adhibited in the presence of one witness, and shall be retained by the Company.

21. Shares in the Company shall be transferred in the following form or in any usual or common form which the Directors shall approve.

I, \_\_\_\_\_ of \_\_\_\_\_ in  
 consideration of the sum of \_\_\_\_\_  
 paid to me by \_\_\_\_\_  
 of \_\_\_\_\_ (hereinafter  
 called "the said transferee") do hereby transfer to  
 the said transferee \_\_\_\_\_ shares  
 numbered \_\_\_\_\_ to \_\_\_\_\_ inclusive in the  
 undertaking called THE S.M.T. SALES AND  
 SERVICE COMPANY LIMITED, to hold unto the said  
 transferee, subject to the several conditions on  
 which I hold the same.

## FORFEITURE AND SURRENDER OF SHARES.

27. If a Member fails to pay any Call or Instalment of a Call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such Call or Instalment remains unpaid, serve a notice on him requiring payment of so much of the Call or Instalment as is unpaid, together with any interest which may have accrued and any expenses that have accrued by reason of such non-payment.

28. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time appointed and at the place appointed, the Shares in respect of which the Call was made will be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

30. A forfeited Share may be sold or otherwise disposed of, on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.

31. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the

Company all moneys and interest which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares, but his liability shall cease if and when the Company shall have received payment in full of the nominal amount of the Shares, and all interest payable up to the date of forfeiture.

32. A statutory declaration in writing that the declarant is either a Director, or Managing Director, or Manager, or Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. The Company may receive the consideration, if any, given for the Shares on any sale or disposition thereof, and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of, and he shall thereupon be registered as the holder of the Share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the Share. The remedy of the former holder of such Share and any person claiming under or through him shall be against the Company and in damages only.

33. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the amount of the Share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

34. The Directors may accept the surrender of any Share by way of compromise of any question as to the

holder being properly registered in respect thereof, or any gratuitous surrender of a fully-paid Share, or the surrender of any Share where the Company is entitled to forfeit the Share surrendered. Any Share so surrendered may be disposed of in the same manner as a forfeited Share.

#### CONVERSION OF SHARES INTO STOCK, AND RECONVERSION INTO SHARES.

35. The Company may by ordinary resolution convert any paid-up Shares into Stock, and may also reconvert such Stock into paid-up Shares of any denomination, and with any special rights, privileges, and conditions attached thereto.

36. The holders of Stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations as, and subject to which, the Shares from which the Stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; but the Directors may from time to time, subject to the conditions contained in the resolution converting any Shares into Stock, fix the minimum amount of Stock transferable, and restrict or forbid the transfer of fractions of such minimum.

37. The holders of Stock shall, according to the amount of the Stock held by them, have the same rights, privileges, and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the Stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by any such aliquant part of Stock as would not, if existing in Shares, have conferred such privilege or advantage.

38. Such of the Articles of the Company as are applicable to paid-up Shares shall apply to Stock, and the words "Share" and "Shareholder" therein shall include "Stock" and "Stockholder."

#### ALTERATION OF CAPITAL.

39. The Company may from time to time by ordinary resolution increase the Capital by such sum, to be divided into Shares, of such amount as the resolution sanctioning the increase of Capital shall prescribe.

40. Any Capital raised by the creation of new Shares (except in so far as the Company on the creation thereof may determine) shall be considered as part of the original Capital, and shall be subject to the same provisions with reference to terms of issue, conversion into Stock, the payment of calls, lien, transfer, transmission, the forfeiture of Shares on non-payment of calls, and otherwise as are hereby provided.

41. The Company may by Ordinary Resolution:

- (a) Consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares.
- (b) Subdivide its existing Shares, or any of them, into Shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 61 (1) (d) of the Act.
- (c) Cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

42. The Company may by Special Resolution reduce its Share Capital and any Capital redemption reserve fund in any manner and with, and subject to, any incident authorized and consent required, by law.

### MODIFICATION OF RIGHTS OF SHARES

43. If and when the Share Capital of the Company is divided into different classes, the holders of any class of Shares may, by writing signed by the holders of three-fourths of the issued Shares of such class or by an Extraordinary Resolution submitted to a meeting of the Shareholders of such class, consent, on behalf of all the holders of Shares of such class, to all or any of the following, namely: (a) the subdivision of the Shares of the class into Shares of a smaller amount, and the giving to one or more classes of the Shares resulting from such subdivision, any preference or priority over another class or classes, in the payment of dividends or the distribution of assets or otherwise; (b) the issue, creation, or conversion of any Shares ranking equally with, or having any priority to the class passing such resolution; (c) any scheme for the reduction of the Company's Capital affecting the class of Shares, or for distribution of assets in money or in specie, and that either before or during liquidation, and although involving alteration of rights; (d) any alteration, modification, release, or abandonment of the rights of the class against the Company, its property and assets; (e) any compromise or arrangement proposed to be made between the Company and any class or classes of shareholders or creditors, provided such compromise or arrangement is one which the Court would have power to sanction under Section 206 of the Act; and such written consent or Resolution shall be binding upon all the holders of Shares of the class,

provided always that this Article shall not be read as implying the necessity for such consent in any case in which but for this Article the object of the Resolution could have been effected without it.

24. Any meeting for the purpose of the last preceding Article shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Member, not being a Director, Solicitor, or Officer of the Company, shall be entitled to notice thereof, or to attend thereat, unless he be a holder of Shares of the class intended to be affected by the resolution, and that no vote shall be given except in respect of a Share of that class, and that the quorum at any such meeting shall be persons present holding or representing by proxy not less than one-third of the Shares or Stock of the said class.

### BORROWING POWERS.

25. The Directors may exercise all the powers of the Company to borrow money on mortgage or charge its undertaking, property and uncalled capital and to issue Debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowing of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to procure (as regards subsidiary companies so far as by such exercise they can procure) that the aggregate principal amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by any of such companies from any other of such companies) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed four times the aggregate amount of the issued and paid up share capital of the Company and the consolidated reserves of the Company and its subsidiary companies (including any share premium account but excluding any reserves for taxation and after deducting any amount standing to the debit for the time being of any Profit and Loss Account) as shown by the latest audited Consolidated Balance Sheet of the Company and its subsidiary companies adjusted as may be necessary in respect of any variation of paid up capital effected or any distribution made or any shares transferred (otherwise than as transfer between the Company and any of its subsidiaries) since the date of such Balance Sheet and so that for this purpose capital allotted shall be treated as issued and any capital already called up or payable at any fixed future date shall be treated as being paid up. Notwithstanding the provisions of this Article, no person dealing with the Company shall be concerned to see or enquire whether this limit is observed, and no debt incurred or security given in or out of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the limit hereby imposed had been or would thereby be exceeded.

46. The Register of Mortgages required by Section 98 of the Act shall be open to inspection by a creditor or Member of the Company free, and by any other person on payment of a fee of one shilling for each inspection.

47. The Register or Registers of Holders of any Debentures issued by the Company shall be open to the inspection of the registered holder of any such Debentures, and of any holder of Shares of the Company, but subject to such reasonable restrictions as the Company may in General Meeting impose, so that at least two hours in each day are appointed for inspection. The said Register or Registers may be closed during such period or periods not exceeding in the aggregate thirty days in any year, as the Directors may from time to time determine.

## MEETINGS OF MEMBERS.

### CONVENING OF GENERAL MEETINGS.

48. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months

of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

49. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

50. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists as provided by Section 132 of the Act. If at any time there shall not be within Great Britain sufficient Directors capable of acting to form a quorum, any Director, or any two Members of the Company, may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

51. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting, or a meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company or General Meeting, to such persons as are, under the regulations

of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed—

(a) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. of nominal value of the shares giving that right.

The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any Member shall not invalidate the proceedings at any meeting.

#### PROCEEDINGS AT GENERAL MEETINGS.

52. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance-sheet, and the ordinary report of the Directors and Auditors, and any matters arising thereon, the election of Directors and other officers in the place of those retiring, and the fixing of the remuneration of the Auditors and Directors.

53. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, save as herein otherwise provided, three Members personally present shall be a quorum.

54. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present within ten minutes from the time appointed for the meeting, the Members present shall be a quorum.

55. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company, but if there is no such Chairman, or if at any meeting he is not present within five minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the Members present shall choose another Director to act as Chairman. If no Director be present, or if at any meeting the Directors present decline to preside, the Members present shall choose one of their number to be Chairman.

56. The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

57. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands.

unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the meeting or by at least three persons together holding or representing by proxy not less than one-tenth of the Share Capital of the Company for the time being issued, and, unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.

58. If a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

59. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

60. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman of the meeting directs. The demand of a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### VOTES AT GENERAL MEETINGS.

61. Subject to any special terms as to voting upon which any of the shares may be issued, every shareholder shall, on a show of hands, have one vote only, and on a poll one vote for every share held.

62. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

63. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, *curator bonis*, or other person in the nature of a committee or *curator bonis* appointed by such Court, and such committee, *curator bonis*, or other person may, on a poll, vote by proxy.

64. No Member shall be entitled to vote at any General Meeting unless all Calls or other sums presently payable by him in respect of Shares in the Company have been paid.

65. On a poll, votes may be given either personally or by proxy.

66. The instrument appointing a proxy shall be in writing, signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a corporation, either under the common seal, or signed by an officer. The signature to an instrument appointing a proxy need not be witnessed.

67. A proxy need not be a Member of the Company.

68. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

69. An instrument appointing a proxy shall be in the following form, or in any other form which the Directors shall approve—

THE S.M.T. SALES AND SERVICE COMPANY LIMITED

"I

, of

, being a Member

of THE S.M.T. SALES AND SERVICE COMPANY LIMITED, hereby appoint

of as my proxy, to vote for me and on my behalf at the Annual (or Extraordinary as the case may be) General Meeting of the Company, to be held on the day of and any adjournment thereof.

Signed this day of "

This form is to be used in favour of the resolution. against

Unless otherwise instructed the proxy will vote as he think fit

" Strike out whichever is not desired.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

70. No objection shall be allowed to the validity of any vote except at the meeting at which such vote shall be tendered; and every vote, whether given personally or by proxy, not disallowed at such meeting shall be deemed valid for all purposes. The Chairman of the Meeting shall be the sole and absolute judge of the validity of every vote tendered at such meeting and may allow or disallow the votes tendered, according as he shall be of opinion that the same are or are not valid.

#### CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS.

71. Any Corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the Corporation which he represents as that Corporation could exercise if it were an individual Member of the Company.

#### MANAGEMENT.

##### NUMBER, APPOINTMENT AND QUALIFICATION OF DIRECTORS.

72. Until otherwise determined by an Annual General Meeting the number of the Directors shall not be less than three nor more than twelve. The first Directors of the Company shall be determined in writing by a majority of the subscribers to the Memorandum of Association.

73. A Director shall require no other qualification but nevertheless shall be entitled to attend and speak at any General Meeting of the Company.

74. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company but for no other purpose.

75. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but the person so chosen shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

76. Subject to the provisions of Article 72, the Directors shall have power at any time, and from time to time, to appoint a person as an Additional Director, who shall retire from office at the next following Annual General Meeting, but shall be eligible for election by the Company at that Meeting as an Additional Director.

#### REMOVAL OF DIRECTORS.

77. The Company may by ordinary resolution remove any Director, and may by an ordinary resolution appoint another person in his stead.

### DISQUALIFICATIONS OF DIRECTORS.

78. The office of Director shall be vacated if the Director—

- (a) Absents himself from the meetings of the Directors to which he is entitled to be summoned during a period of six calendar months without special leave of absence from the Directors; or
- (b) Becomes bankrupt or suspends payment or compounds with his Creditors; or
- (c) Becomes prohibited from being a Director by reason of any order made under Sections 183 of the Act; or
- (d) Is found lunatic or becomes of unsound mind;
- (e) Sends in a written resignation to the Board and the same is accepted, or not being accepted is not withdrawn within seven days, but this shall not apply to a Director who, by the terms of his appointment or of any agreement with the Company, is not entitled to resign; or
- (f) Does not within two months from the date of his appointment, obtain his qualification or if, after the expiration of the said period, he ceases at any time to hold his qualification.

79. No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, lessee or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is or has been a partner in business shall be in any way invalidated.

nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, provided that the nature of his interest is disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest. Any Director may vote in respect of any contract or arrangement in which he is so interested as aforesaid, and on any question arising thereout. A general notice or knowledge that a Director is a member of any specified firm or company, and is to be regarded as interested in all transactions with that firm or company, shall be sufficient disclosure under this Article as regards such Director and the said transactions, and after such general notice it shall not be necessary for such Director to give special notice of any particular transaction with such firm or company or his interest therein.

#### PROCEEDINGS OF DIRECTORS.

80. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

81. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be two.

82. The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

83. The Board may delegate any of its powers to Committees whether consisting of a Member or Members of its body or not, as it thinks fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed upon it by the Board.

84. A Committee may elect a Chairman of their meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Members present may choose one of their number to be Chairman of the meeting.

85. A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the Members present, and in case of an equality of votes the Chairman shall have a second or casting vote.

86. All acts done by any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid

as if every such person had been duly appointed and was qualified to be a Director

87 The Directors shall cause Minutes to be made in books provided for the purpose—

- (a) Of all appointments of officers made by the Directors;
- (b) Of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
- (c) Of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of Committees of Directors;

and any such Minute, if signed by any person purporting to be Chairman of any meeting of the Directors, Committee or meeting of the Company, shall be sufficient evidence without any further proof.

88 A memorandum in writing signed by all the Directors for the time being in the United Kingdom shall be as valid and effectual in all respects as if a resolution to the like effect had been duly passed at a meeting of the Directors duly convened and held.

#### POWERS AND DUTIES OF DIRECTORS.

89. The business of the Company shall be managed by the Directors, who may carry into effect the whole objects for which the Company is established, and exercise all powers of the Company of every kind except such as are hereby or by statute expressly required to be exercised by the Company in General Meeting, and subject in the cases prescribed to the consent of the Company in General Meeting, but no regulation after-

wards made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

90. All cheques, promissory notes, drafts, bills of exchange, and negotiable instruments, and all receipts and other documents shall be signed, drawn, accepted, and endorsed, or otherwise executed (as the case may be) in such manner as the Directors may from time to time by resolution determine.

91. All officers and servants of the Company, except the Auditors and (save as before provided) the Directors, shall be appointed by the Directors for such period at such remuneration and in all respects upon such terms as they may think fit.

92. Any Director may be appointed to, and hold any office under the Company (except that of Auditor) and retain the emolument of such office, and may also act as broker or agent for the Company, or in any other professional capacity, and may also retain for his own benefit his usual professional services in respect of all services rendered to the Company.

93. The Directors shall duly comply with the provisions of the Act, and in particular the provisions in regard to the keeping of a register of mortgages and charges affecting the property of, or vested by the Company, as to keeping a register of the financial position in regard to the Registrar of Companies an annual list of Members, and a summary of particulars relating thereto, and notice of any allotment of shares, consolidation or increase of Capital, or conversion of shares into Stock, and copies of resolutions, and a copy of the Register of Directors, and notifications of any changes therein.

### REMUNERATION OF DIRECTORS.

84. The Directors (other than a Managing Director) shall be paid out of the funds of the Company by way of remuneration for their services such sums as shall from time to time be determined by the Company in General Meeting, and such remuneration shall be divided among the Directors entitled thereto in such manner as they shall agree upon, or, in default of agreement, equally. All remuneration under this Clause shall be deemed to accrue *de die in diem*. The Directors shall be entitled to be reimbursed out of the funds of the Company any proper expenses incurred by them in the performance of their duties, including travelling expenses for their attendance at Board or Committee Meetings or otherwise in the execution of their duties as Directors.

### ROTATION OF DIRECTORS

85. At the Annual General Meeting of the Company in each year one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to one-third shall, subject to the provisions of Article 100 hereof retire from office.

86. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any person may be appointed or re-appointed a Director of the Company notwithstanding that at the time of his appointment or re-appointment he shall have attained

the age of 70 and no Director of the Company shall vacate his office by reason of his having attained the age of 70 or any other age. No special notice need be given of any Resolution for the appointment or re-appointment or approving the appointment as a Director of a person who shall have attained the age of 70 and it shall not be necessary to give to the Members notice of the age of any Director or person proposed to be appointed or re-appointed as such.

97. A retiring Director shall be eligible for re-election, but no other person than a retiring Director shall be elected a Director at any Meeting of the Company unless he be a person recommended by the Board for election or unless at least five clear days' notice shall have been left at the Registered Office of the Company of the intention to propose him, together with a writing in his hand of his willingness to be elected.

98. The Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacancy or vacancies by electing a person thereto.

99. If at any Meeting at which an election of Directors ought to take place the places of the vacating Directors are not filled up, the Meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the Adjourned Meeting the places of the vacating Directors are not filled up, the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the Adjourned Meeting.

### MANAGING DIRECTOR OR MANAGER.

100. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such term, and at such remuneration (whether by way of salary or commission, or participation in profits, or partly in one way and partly in another), as they may think fit; and a Director so appointed shall not, while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of Directors; but his appointment shall be subject to determination *ipso facto* if he shall cease from any cause to be a Director, or if the Company in General Meeting shall resolve that his tenure of the office of Managing Director or Manager be determined. The remuneration to be paid to any Managing Director or Manager under this Article shall be paid by the Company in addition to the remuneration mentioned in the two immediately preceding Articles.

### COMMON SEAL.

101. The Company shall have a Common Seal, which will be under the charge of such Official or Officials as the Directors may appoint; and all Deeds and other writings bearing the Seal and signed by one Director and countersigned by the Secretary or other officer appointed for that purpose by the Directors, or signed by two Directors, shall be deemed to be sufficiently executed by the Company whether such execution is attested by witnesses or not.

## ACCOUNTS AND DIVIDENDS.

### ACCOUNTS

102. The Directors shall cause true accounts to be kept—

Of the sums of money received and expended by the Company and the matter in respect of which such receipt and expenditure takes place;

Of all sales and purchases by the Company; and

Of the assets and liabilities of the Company.

103. The books of account shall be kept at the Registered Office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

104. The Directors shall from time to time determine whether, and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.

105. The Directors shall from time to time in accordance with Sections 148, 150 and 157 of the Act cause to be prepared and to be laid before the Company in General Meeting such Profit and Loss Accounts, Balance-Sheets, Group Accounts (if any), and Reports as are referred to in these Sections.

106. Every such Balance-Sheet shall be accompanied by a report of the Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend to the members and the amount (if any) which they propose to carry to any reserve fund according to the provisions in that behalf hereinafter contained. The Balance-Sheet shall be signed by two Directors.

107. A printed copy of every such report of the Directors, accompanied by the Balance-Sheet (including every document required by law to be annexed thereto) and Profit and Loss Account shall, not less than twenty-one days previous to the meeting, be served on each of the registered holders of shares, and in the case of joint holders on the person first named on the Register in the manner in which notices are hereinafter directed to be served. Copy of the Balance-Sheet and reports shall be sent on demand to such persons as are entitled to receive same in terms of Section 158 of the Act.

#### AUDIT.

108. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 162 of the Act.

#### PROFITS, DIVIDENDS AND RESERVE FUNDS.

109. There shall be provided and allowed for in the accounts of the Company for each year such amount (if any) as the Directors may think proper and adequate for depreciation of assets, or for a sinking fund for future depreciation of assets or loss on realisation or otherwise. The Directors shall have power from time to

time to take out and add to the profits of the Company for any year, and treat as available for payment of dividends, all or any part of the reserve fund hereinafter mentioned which shall have been made up out of profits. The balance of profits, including any balance brought forward from any preceding year, and any sum or sums taken out of the said reserve fund, shall be available for payment of dividends.

110. The Directors may also, before recommending any dividend, set aside out of the amount available for dividends such sum as they think proper as a reserve fund or an addition thereto.

111. The Directors may either employ the reserve fund in the Company's business, or may invest the same upon such investments (other than shares of the Company) as they may select, without being liable for any loss or depreciation in consequence of such investments, whether the same be usual or authorised investments for trust funds or not.

112. The reserve fund may be used for making good any adverse balance on revenue account, for the equalisation of dividends, or for making provision for exceptional losses, expenses, or contingencies, or the extension or development of the Company's business, or for writing down the value of the goodwill or other assets of the Company, or for any of the objects of the Company as defined by the Company's Memorandum of Association, and the Directors may at any time (in addition to the power hereinafter conferred upon them) divide among the Shareholders, by way of bonus or dividends, any part of the reserve fund which they in their discretion may determine not to be required for the purposes aforesaid.

113. The Directors may declare in each year what is the amount available for payment of dividends, and such amount or any part thereof may be applied in payment of dividends or be otherwise disposed of as the Directors may recommend and the Shareholders in Annual General Meeting approve. All dividends shall be declared and paid with due regard to any existing priorities or differences between shares or classes of shares, but subject thereto rateably and *pari passu* according to the amount paid or credited as paid up thereon respectively.

114. The Company in Annual General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

115. The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.

116. No dividend shall be paid otherwise than out of profits.

117. No amount paid on a Share in advance of Calls shall, while carrying interest, be treated for the purposes of Dividend as paid on the Share.

118. All dividends and interest shall belong and be paid (subject to the Company's lien if any) to those Members who shall be on the Register at the date at which such dividend shall be declared, or at the date on which such interest shall be payable respectively, notwithstanding any subsequent transfer or transmission of Shares.

119. If several persons are registered as joint-holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

120. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint holders to any one of such joint holders at his registered address or to such person and such address as the member or person entitled or such joint holders as the case may be may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be may direct.

121. No dividend shall bear interest against the Company.

122. The Company in General Meeting may, at any time and from time to time, capitalise any sum or sums representing the whole or any part of the profits (for the time being undivided) standing at the credit of the Company's Accounts, or any sum standing at the credit of the Reserve Funds, and including also any sums at any time received as premiums upon the issue of Shares. Subject always to any direction to the contrary that may be given by the Company in General Meeting such sum or sums shall be appropriated and distributed for and amongst the holders of the Ordinary Shares of the Company on the footing that the same shall be received as Capital and otherwise in such manner as may be declared in the Resolution making the Capitalisation, and the Directors shall have power to apply such sum or sums in paying up Shares, Debentures, or Debenture Stock, or other obligations of the Company as shall be equal in nominal amount to the amount so capitalised, and shall thereupon distribute such Shares, Debentures, Debenture Stock, or other obligations of the Company rateably among the holders of the Ordinary Shares of the Company or their nominees. Where any difficulty

arises in regard to distribution, the Directors may settle such difficulty as they think expedient, and in particular may issue Fractional Certificates or may arrange with any Shareholder or Shareholders including any one or more of themselves, or any person, syndicate, or corporation to take up the total number of Shares represented by the sum of any fractional parts and may fix the value for distribution of such Shares, Debentures, or Debenture Stock or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties. Where deemed requisite for the purpose of constituting the title of allottees to any Shares of the Company issued and allotted in consequence of such capitalisation, the Directors may appoint any person to contract with the Company on behalf of the parties entitled to receive the said Shares for the allotment to them of such Shares, and any Agreement made under such authority shall be effective and be filed in accordance with Section 42 of the Act.

### NOTICES.

123. A notice may be given by the Company to any Member either personally, or by sending it through the post in a prepaid letter addressed to such Member at his registered address, or (if he has no registered address in Great Britain) at the address, if any, within Great Britain supplied by him to the Company for the giving of notices to him.

124. A notice may be given by the Company to the joint holders of a Share by giving the notice to the joint holder named first in the Register in respect of the Share.

125. A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Great Britain supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

126. Notice of every General Meeting shall be given in some manner hereinbefore authorised to (a) every Member of the Company, except those Members who (having no registered address within Great Britain) have not supplied to the Company an address within Great Britain for the giving of notices to them; (b) every person entitled to a Share in consequence of the death, bankruptcy, lunacy or other incapacity of a Member who, but for his death, bankruptcy, lunacy or other incapacity, would be entitled to receive notice of the meeting, and (c) the Auditor for the time being of the Company. No other persons shall be entitled to receive notices of General Meetings.

127. Any notice if given by post, shall be deemed to have been served twenty-four hours after the letter containing the same was put into the Post Office and, in proving the giving of the notice it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the Post Office.

### WINDING UP.

128. The liquidator, on any winding-up of the Company (whether voluntary or under supervision, or compulsory)

may, with the authority of an Extraordinary Resolution, divide among the contributors in kind or in specie, the whole or any part of the surplus assets of the Company, and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between Members or classes of Members.

### INDEMNITY.

129. Save and except so far as the provisions of this Article shall be avoided by any provisions of the Act, the Directors, Managing Directors, Agents, Auditors, Secretary and other officials for the time being of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every of them and every of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts except such (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of conformity or for any Bankers or other persons with whom any moneys or effects belonging to the Company shall or

may be lodged or deposited for safe custody or for the sufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto except the same shall happen by or through their own wilful neglect or default respectively.

**NAME, ADDRESS, AND DESCRIPTION OF SUBSCRIBERS.**

**JAMES AMOS**, 10 BARKHURST ROAD, Edinburgh, Director and General Manager, The Branch Motor Traction Company Limited.

**ROBT W. COCKBURN**, 21 Napier Road, Edinburgh, Writer to the Signet.

Dated the Thirtieth day of March, Nineteen hundred and twenty-two.

*Witness to the above Signatures—*

**G. R. COCKBURN**  
16 Charlotte Square  
Edinburgh

*Writer to the Signet*

**G**

## COMPANIES FORM No. 225(1)

**Notice of new accounting reference date given during the course of an accounting reference period****225(1)**

Please do not write in this margin

Pursuant to section 225(1) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number

[ ] [ ] [ ] [ ] 2

26975

Name of company

\* THE S.M.T. SALES &amp; SERVICE CO. LIMITED

Insert full name of company

**Note**  
Please read notes 1 to 4 overleaf before completing this form

gives notice that the company's new accounting reference date on which the current accounting reference period and each subsequent accounting reference period of the company is to be treated as coming, or as having come, to an end is as shown below:

Day Month

3 1 0 1

1 delete as appropriate

The current accounting reference period of the company is to be treated as ~~shortened~~ [extended]† and ~~is to be treated as having come to an end~~ [will come to an end]† on

Day Month Year

3 1 0 1 1 9 8 7

If this notice states that the current accounting reference period of the company is to be extended, and reliance is being placed on section 225(6)(c) of the Companies Act 1985, the following statement should be completed:

The company is a [subsidiary] ~~holding company~~† of SEARS Plc\_\_\_\_\_, company number 120271  
the accounting reference date of which is 31/01 [ENGLAND]

Signed

[Director] [Secretary]† Date 4/12/86

Presentor's name address and reference (if any):  
The Secretary,  
The SMT Sales & Service Co.,  
Limited,  
7-9 Roseburn Street,  
EDINBURGH. EH12 5PP  
REF - DR/NGG.For official Use  
General Section

Post room

10 DEC 1986

## Notice of new accounting reference date given during the course of an accounting reference period

225(1)

Please do not  
write in this  
margin

Pursuant to section 225(1) of the Companies Act 1985

**Please complete  
legibly, preferably  
in black type, or  
bold block lettering**

**To the Registrar of Companies**

For official use

Company number

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| T | - | T | - | T | - |
|   |   |   |   |   |   |
| T | - | T | - | T | - |

2 6 9 7 5

Name of company

\* insert full name  
of company

\* THE S.M.T. SALES AND SERVICE COMPANY LIMITED

**Note**  
Please read notes  
1 to 4 overleaf  
before completing  
this form

gives notice that the company's new accounting reference date on which the current accounting reference period and each subsequent accounting reference period of the company is to be treated as coming, or as having come, to an end is as shown below:

Day Month

|   |   |   |   |
|---|---|---|---|
| 2 | 7 | 1 | 2 |
|---|---|---|---|

† delete as appropriate

The current accounting reference period of the company is to be treated as [shortened][~~extended~~]<sup>†</sup> and [is to be treated as having come to an end][will come to an end]<sup>†</sup> on

Day                      Month                      Year

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| 2 | 7 | 1 | 2 | 1 | 9 | 8 | 7 |
|---|---|---|---|---|---|---|---|

If this notice states that the current accounting reference period of the company is to be extended, and reliance is being placed on section 225(6)(c) of the Companies Act 1985, the following statement should be completed:

The company is a ~~(subsidiary)~~ holding company of Lex Service plc

\_\_\_\_\_, company number 229121

the accounting reference date of which is 27/12

**Signed**

[Director][Secretary]† Date

27th May 1987

**Presentor's name address and reference (if any):**

The Secretary,  
The S.M.T. Sales & Service  
Co. Limited,  
7-9 Roseburn Street,  
EDINBURGH. EH12 5PP

**For official Use**  
**General Section**

Post room

29 MAY 1981

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| |

Southwark Towers  
32 London Bridge Street  
London SE1 9SY

Telephone: 01-407 8989  
Telex: 884657/8  
Telecopier: 01-407 0545  
01-403 2315

5.



**Price Waterhouse**

23 November 1987

CD Seabrook Esq  
Company Secretary  
Lex Motor Group Limited  
540/550 Dunstable Road  
Luton  
Bedfordshire  
LU4 8HW

Dear Sir,

LEX MOTOR GROUP LIMITED AND SUBSIDIARY COMPANIES - *S.M.T. Sales & Service Co Ltd*  
*No 26975*

We give notice that we are resigning as auditors of Lex Motor Group Limited (formerly Sears Motor Group Limited) and subsidiary companies with effect from 23 November 1987. There are no circumstances connected with our resignation which we consider should be brought to the notice of the members or creditors of Lex Motor Group Limited.

Yours faithfully,

Price Waterhouse

RGH/RAJD/SN



5026975  
Company Number 26975

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

- of -

THE SMT SALES & SERVICE COMPANY LIMITED

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Passed on 23rd December 1993

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AT an EXTRAORDINARY GENERAL MEETING of the Company duly convened and held on the above date the following resolution was duly passed as a SPECIAL RESOLUTION of the Company:

RESOLUTION



THAT the memorandum of association of the Company be amended by the deletion of paragraph III(20) and the insertion of a new paragraph III(20) in the following form:

"To sell or otherwise dispose of the whole or any part of the undertaking, property, rights or assets of the Company, either together or in separate amounts or portions, for such consideration as the Company may think fit, whether for a consideration which has a value in whole or in part less than the market value of the undertaking, property, rights or assets being disposed of, and in particular for shares, debentures or securities of any company, whether fully or partly paid up".

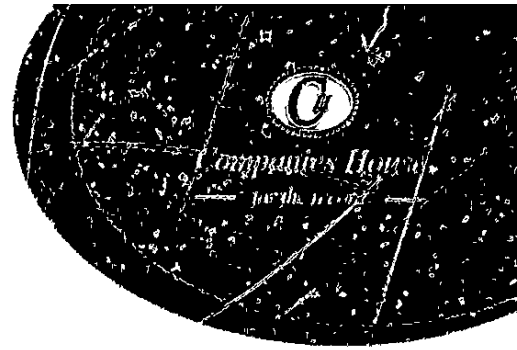


**THAT** the Directors be and are hereby authorised to dispose of the entire assets, liabilities and undertaking of the Company to Lex Retail Group Limited for a consideration in cash equal to the net book value of such assets, liabilities and undertaking in the form of an agreement a copy of which was produced to the meeting and signed by the Chairman for the purposes of identification.



Chairman





## NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD

Companies House regrets that the microfiche record for this company contain some documents which are illegible.

The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause.



Cert No. FS 31069  
Personnel & Training

Companies House is an Executive Agency of the Department of Trade and Industry



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INVESTING IN PEOPLE

CHPM 4 (07/02)