

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

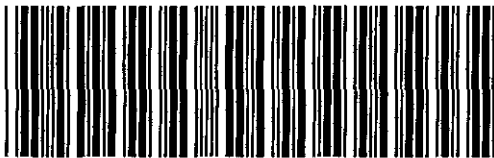
Company No. 302282

The Registrar of Companies for Scotland hereby certifies that

CALMAC FERRIES LIMITED

is this day incorporated under the Companies Act 1985 as a private company and that the company is limited.

Given at Companies House, Edinburgh, the 12th May 2006



NSC302282



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



C O M P A N I E S H O U S E



12

Please complete in typescript,
or in bold black capitals.

CHFP025

Declaration on application for registration

302282

Company Name in full

CalMac Ferries Limited

I, Catriona Robertson McGregor

of Pacific House, 70 Wellington Street, Glasgow G2 6SB

† Please delete as appropriate.

do solemnly and sincerely declare that I am a [Solicitor engaged in the
formation of the company] ~~XXXXXX~~
~~XXXXXX~~ and that all the requirements of the Companies Act
1985 in respect of the registration of the above company and of matters
precedent and incidental to it have been complied with.

And I make this solemn Declaration conscientiously believing the same to
be true and by virtue of the Statutory Declarations Act 1835.

Declarant's signature

Declared at

70 Wellington Street, Glasgow, G2 6SB

Day Month Year

On

11 05 2006

① Please print name.

before me ①

LOUISE ANTONIA MAHON

Signed

Date

11/05/2006

† A Commissioner for Oaths or Notary Public ~~XXXXXX~~ Solicitor

Please give the name, address,
telephone number and, if available,
a DX number and Exchange of
the person Companies House should
contact if there is any query.

McGrigors

PACIFIC HOUSE, 70 WELLINGTON STREET, GLASGOW, G2 6SB

GiManage: 947100

Tel 0141 248 6677

DX number 135

DX exchange GLASGOW

When you have completed and signed the form please send it to the
Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff
for companies registered in England and Wales

or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh



10

Package: 'Laserform'
by Laserform International Ltd.

Please complete in typescript,
or in bold black capitals.

CHFP025

Notes on completion appear on final page

First directors and secretary and intended situation of registered office

Company Name in full

Calmac Ferries Limited

Proposed Registered Office

(PO Box numbers only, are not acceptable)

The Ferry Terminal

Post town

Gourock

County / Region

Postcode

PA19 1QP

If the memorandum is delivered by
an agent for the subscriber(s) of
the memorandum mark the box opposite
and give the agent's name and address.

Agent's Name

Address

Post town

County / Region

Postcode

Number of continuation sheets attached

You do not have to give any contact
information in the box opposite but if you
do, it will help Companies House to
contact you if there is a query on the



SCT SRKQKFC4 0579
COMPANIES HOUSE 12/05/06

SCT SNLOPF62 0050
COMPANIES HOUSE 06/05/06

McGrigors

Pacific House, 70 Wellington Street, Glasgow, G2 6SB

Gimanager 928761_1

Tel 0141 248 6677

DX number

DX exchange GW135

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Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff
for companies registered in England and Wales or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh

Company Secretary (see notes 1-5)

Company name

NAME *Style / Title

*Honours etc

* Voluntary details

Forename(s)

Gordon White

Surname

McKenzie

Previous forename(s)

Previous surname(s)

Address ☐

1 Lochlands Grove

Post town

Beith

County / Region

Ayrshire

Postcode

KA15 1BB

Country

☐ Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.

I consent to act as secretary of the company named on page 1

Consent

Date

4 May 2006

Directors (see notes 1-5)

Please list directors in alphabetical order

NAME *Style / Title

Dr

*Honours etc

CB

Forename(s)

Harold Hernshaw

Surname

Mills

Previous forename(s)

Previous surname(s)

Address ☐

21 Hatton Place

Post town

Edinburgh

County / Region

Postcode

EH9 1UB

Country

☐ Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.

Day Month Year

Date of birth

0 2 0 3

1 9 3 8

Nationality

British

Business occupation

Director

Other directorships

See Paper Apart 1

I consent to act as director of the company named on page 1

Consent signature

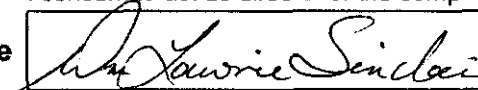
Date

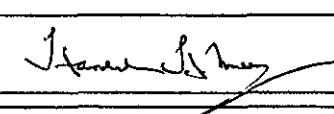
4 May 2006

Directors

(see notes 1-5)

Please list directors in alphabetical order

NAME	*Style / Title	<input type="text"/>		*Honours etc	<input type="text"/>					
Forename(s)		<input type="text" value="William Lawrie"/>								
Surname		<input type="text" value="Sinclair"/>								
Previous forename(s)		<input type="text"/>								
Previous surname(s)		<input type="text"/>								
†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.	Address ††	<input type="text" value="14 Firth Gardens"/>								
	<input type="checkbox"/>	<input type="text" value="Barassie"/>								
	Post town	<input type="text" value="Troon"/>								
	County / Region	<input type="text" value="Ayrshire"/>	Postcode	<input type="text" value="KA10 6TQ"/>						
	Country	<input type="text"/>								
Date of birth	<table border="1"><tr><td>Day</td><td>Month</td><td>Year</td></tr><tr><td>0 2</td><td>0 9</td><td>1 9 4 4</td></tr></table>	Day	Month	Year	0 2	0 9	1 9 4 4	Nationality	<input type="text" value="British"/>	
Day	Month	Year								
0 2	0 9	1 9 4 4								
Business occupation	<input type="text" value="Director"/>									
Other directorships	<input type="text" value="See Paper Apart 2"/>									
<input type="text"/>										
I consent to act as director of the company named on page 1										
Consent signature				Date	<input type="text" value="4 MAY 2006"/>					

This section must be signed by*Either***an agent on behalf of all subscribers****Signed****Date****Or the subscribers****Signed****Date****(i.e those who signed as members on the memorandum of association).****Signed****Date****Signed****Date****Signed****Date****Signed****Date****Signed****Date**

PAPER APART 1

Other directorships of Harold Hernshaw Mills:

- 1 Scottish Maritime Museum Trust
- 2 Landtrust
- 3 Edinburgh World Heritage Trust
- 4 Edinburgh Old Town and South Side Trust
- 5 Caledonian MacBrayne Limited
- 6 Caledonian MacBrayne Holdings Limited
- 7 David MacBrayne Limited
- 8 Northlink Orkney and Shetland Ferries Limited
- 9 The City of Adelaide Charitable Trust
- 10 Caledonian MacBrayne HR (UK) Limited

PAPER APART 2

Other directorships of William Lawrie Sinclair:

- 1 SKL Services Limited
- 2 David MacBrayne Limited
- 3 Caledonian MacBrayne Limited
- 4 Caledonian MacBrayne Holdings Limited
- 5 The North of England Protecting and Indemnity Association Limited
- 6 Traveline Scotland Limited
- 7 Caledonian MacBrayne HR (UK) Limited

Notes

1. Show for an individual the full forename(s) NOT INITIALS and surname together with any previous forename(s) or surname(s).

If the director or secretary is a corporation or Scottish firm - show the corporate or firm name on the surname line.

Give previous forename(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given,
- names not used since the age of 18 or for at least 20 years need not be given.

A peer, or an individual known by a title, may state the title instead of or in addition to the forename(s) and surname and need not give the name by which that person was known before he or she adopted the title or succeeded to it.

Address:

Give the usual residential address.

In the case of a corporation or Scottish firm give the registered or principal office.

Subscribers:

The form must be signed personally either by the subscriber(s) or by a person or persons authorised to sign on behalf of the subscriber(s).

2. Directors known by another description:

- A director includes any person who occupies that position even if called by a different name, for example, governor, member of council.

3. Directors details:

- Show for each individual director the director's date of birth, business occupation and nationality.
The date of birth must be given for every individual director.

4. Other directorships:

- Give the name of every company of which the person concerned is a director or has been a director at any time in the past 5 years. You may exclude a company which either is or at all times during the past 5 years, when the person was a director, was:
 - dormant,
 - a parent company which wholly owned the company making the return,
 - a wholly owned subsidiary of the company making the return, or
 - another wholly owned subsidiary of the same parent company.

If there is insufficient space on the form for other directorships you may use a separate sheet of paper, which should include the company's number and the full name of the director.

5. Use Form 10 continuation sheets or photocopies of page 2 to provide details of joint secretaries or additional directors.

THE COMPANIES ACTS 1985 AND 1989

A PRIVATE COMPANY LIMITED BY SHARES

**Memorandum and Articles of Association of
CalMac Ferries Limited**

McGrigors
Glasgow

Pacific House
70 Wellington Street
GLASGOW
G2 6SB
Telephone: 0141 248 6677
Facsimile: 0141 204 1351 / 221 1390
E-Mail: enquiries@mcgrigors.com
Web Site: <http://www.mcgrigors.com>
929222_3

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Memorandum of Association

of

CALMAC FERRIES LIMITED

- 1 The name of the Company is "**CALMAC FERRIES LIMITED**".
- 2 The Registered Office of the Company is to be situated in Scotland.
- 3 The objects for which the Company is established are:-
 - (a) To carry on the business of shipowners, ship leasers, carriers by water and by land, wharfingers, lightermen, forwarding agents, underwriters, harbour operators, travel agents, ticketing and reservations managers, licence holders, insurers of ships, goods and other property, of passengers and their cargo, merchants, and any such other business as is usually transacted by companies established for similar purposes, principally but not exclusively operating in and around the mainland and islands of Scotland and Ireland, but only insofar as those activities are necessary, incidental or conducive to the performance by the Company of its obligations, and the enjoyment of or application by the Company of its rights under and pursuant to, any concession, contract or arrangement with the Scottish Executive or other public or statutory body for the provision of ferry and related services, including passenger and accompanied car ferry services and freight ferry services in and around the mainland and islands of Scotland and Ireland, including but not limited to by way of the design, building, financing (whether partly by way of subsidy and partly by way of ticket and other sales revenue or otherwise), operating, management and maintenance of ferry vessels, and including under or pursuant to any amendments, revisions or novations thereto or to any other agreements which it may be necessary or convenient to enter into in relation thereto.
 - (b) For the purposes of the Company or any subsidiary, associated or allied person, to purchase, sell, build or otherwise acquire, charter, hire, equip, sale, repair, let out to hire and trade with commercial ferries and other boats and vessels, and to employ the same in the conveyance of passengers and goods, and otherwise in the business of ship owners and carriers by sea.
 - (c) To construct, maintain and alter any building or works necessary or convenient for the purposes of the Company or for the purpose of the activities of any subsidiary, associated or allied person and generally to provide appropriate shore infrastructure to deal with vessel operations, passenger handling and the loading, carriage and discharge or any property including but not limited to cars, freight, hazardous goods and livestock.

- (d) To appoint agents or brokers on commission or representatives of the Company to act in any of the businesses of the Company through or by means of branches, agencies, brokers, sub-contractors or others.
- (e) To apply for, register, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, brevets invention, licences, consents, trademarks, designs, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (f) To purchase, feu, rent, lease, exchange or otherwise acquire any heritable or personal property in the United Kingdom or abroad, either for the Company exclusively or jointly with any companies, associations, partnerships or persons, which may be deemed necessary or expedient for the purposes of the Company; to erect offices, mills, factories, warehouses, works, houses and other buildings; to maintain, alter, enlarge and improve the same; and to acquire any rights, servitudes, easements and privileges in relation to any lands, water or buildings.
- (g) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire and invest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any Shares, Debentures, Debenture Stock or Securities that may be agreed upon and to hold and retain, or sell, mortgage and deal with, any Shares, Debentures, Debenture Stock or Securities so received.
- (h) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn into account, grant rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
- (i) To invest and deal with the moneys of the Company not immediately required in such Shares or upon such securities and in such manner as may from time to time be determined.
- (j) To lend and advance money or give credit to such persons, firms or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to give guarantees or security for any such persons, firms or companies.
- (k) To secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person in any way.
- (l) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised or owing, by

mortgage, charge, standard security or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital and also by a similar mortgage, charge, standard security or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake.

- (m) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (n) To apply for, promote and obtain any Act of Parliament, Act of the Scottish Parliament, Statutory Instrument, Scottish Statutory Instrument, Provisional Order or Licence of or from the Scottish Executive, the Scottish Ministers or any Department of HM Government or other authority as the case may be, for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (o) To enter into any arrangements with any Governments or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, corporation, company or persons any subsidies, concessions, charters, contracts, decrees, rights and privileges which the Company may think desirable, and to carry out, exercise and comply with any such subsidies, concessions, charters, contracts, decrees, rights and privileges.
- (p) To subscribe for, take, purchase or otherwise acquire and hold Shares or other interests in or securities of any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being carried on so as directly or indirectly to benefit the Company, and to purchase or otherwise acquire Shares in the Share Capital of the Company subject to the provisions of the Companies Act 1985.
- (q) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (r) To remunerate any person, firm or company rendering services to the Company, either by cash payment or by the allotment to him or them of Shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (s) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any Shares, Debentures, Debenture Stock or securities of the Company.
- (t) To purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time Directors, officers, employees or Auditors of the Company or of any other company which the Company or any of the predecessors of the Company has any interest, whether direct or indirect, or which is in any way allied to or associated with the company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of

any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are or have been interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund and to such extent as may be permitted by law or otherwise to indemnify or to exempt any such person against or from any such liability; for the purposes of this Sub-Clause "subsidiary undertaking" shall have the same meaning as in Section 258 of the Companies Act 1985.

- (u) To support and subscribe to any charitable or public object and any institution, society or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business; to give pensions, gratuities or charitable aid to any persons who may have been Directors of or may have served the Company, or to the wives, husbands, children or other relatives or dependants of such persons; to make payments towards insurance and to form and contribute to provident and benefit funds for the benefit of any such persons or of their wives, husbands, children or other relatives or dependants.
- (v) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the Shares or securities of any such company as aforesaid.
- (w) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for Shares, Debentures or securities of any company purchasing the same.
- (x) To distribute among the Members of the Company in kind any property of the Company, and in particular any Shares, Debentures or securities of other companies belonging to the Company or of which the Company may have the power of disposing.
- (y) To procure the company to be registered or recognised in any part of the world.
- (z) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

It is hereby expressly declared that each Sub-Clause of this Clause shall be construed independently of the other Sub-Clauses hereof, and that none of the objects mentioned in any Sub-Clause shall be deemed to be merely subsidiary to the objects mentioned in any other Sub-Clause.

4 The liability of the Members is limited.

5 The Company's Share Capital is £100 divided into 100 Ordinary Shares of £1.

NAME AND ADDRESS OF SUBSCRIBER

NO. OF SHARES TAKEN

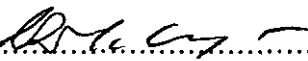
Caledonian MacBrayne Limited
Ferry Terminal
Gourock
PA19 1QP

1


.....
on behalf of Caledonian MacBrayne Limited

Dated 4 May 2006

Witness to the above signature:-


.....
CATRIONA ROBERTSON MCGREGOR
Name

.....
Address
.....70 WELLINGTON ST.....
.....GLASGOW G2 6SB.....
.....SOLICITOR.....
Occupation

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Articles of Association

of

CALMAC FERRIES LIMITED

1 Definitions and interpretation

1.1 In these Articles, unless the context requires otherwise:

the "**Company**" means CalMac Ferries Limited;

"**Act**" means the Companies Act 1985 as amended and construed at the date of adoption of these Articles;

"**Board**" means the board of directors of the Company from time to time;

"**Group**" means the Company and all its subsidiaries and subsidiary undertakings from time to time and "**member of the Group**" shall be construed accordingly;

"**Member**" means any registered holder of a Share;

"**Share**" means a share in the capital of the Company; and

"**Table A**" means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000.

1.2 The regulations of Table A shall be incorporated into and form part of these Articles and shall apply to the Company insofar as such regulations are not excluded, amended or modified by or inconsistent with this document.

1.3 References in these Articles to Regulations are to regulations in Table A and references to an Article by number are to a particular Article of these Articles.

1.4 These Articles and the Regulations incorporated into them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.

1.5 In these Articles where the context so permits:

(a) words importing the singular number only shall include the plural number, and vice versa;

(b) words importing the masculine gender only shall include the feminine gender;

- (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships; and
 - (d) the expression "**paid up**" shall include credited as paid up.
- 1.6 Words and expressions defined in or for the purposes of the Act or Table A shall, unless these Articles provide otherwise, have the same meaning in these Articles.
- 1.7 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them.
- 1.8 Headings used in these Articles shall not affect their construction or interpretation.
- 1.9 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.
- 2 Share capital**
- 2.1 The Company is a private company as defined by Section 1 of the Act and accordingly any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company or any allotment of or agreement to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public shall be prohibited.
- 2.2 The authorised share capital of the Company at the date of the adoption of these Articles is £100 divided into 100 Ordinary Shares of £1.
- 2.3 The Company shall be entitled, but shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust (whether express, implied or constructive) in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners thereof. For the purposes of this Article, "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission thereof as are mentioned in Table A. Regulation 5 shall not apply to the Company.
- 2.4 The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two directors or any one director and the secretary. Regulation 6 shall be extended accordingly.
- 3 Issue of shares**
- 3.1 The directors are generally and unconditionally authorised to allot relevant securities (within the meaning of Section 80(2) of the Act) on such terms and at such time or times as they may in their discretion think fit; provided that:-

- (a) the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be the aggregate nominal amount of the authorised but unissued Shares from time to time while this authority is in force; and
- (b) this authority shall expire, unless sooner revoked or altered by the Company in general meeting, on the expiry of the period of five years from the date of

incorporation of the Company provided that the Company may before such expiry make one or more offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities after such authority has expired in pursuance of every such offer or agreement as if the power conferred hereby had not expired.

- 3.2 The authority conferred by this Article 3 is in substitution for each (if any) other authority already given pursuant to the said section 80 whether contained in earlier articles of association of the Company or otherwise and each (if any) such earlier authority is hereby revoked but without prejudice to the validity of any allotment offer or agreement made pursuant to any such earlier authority before the date of adoption of these Articles.

- 3.3 Section 89(1) and Sections 90(1) to (6) of the Act shall not apply to the Company.

4 Transfer of shares

Regulation 24 shall be amended by the addition of the words "(in their absolute discretion and without assigning any reason therefor)" between the words "may" and "refuse" and the deletion of the words "which is not" and the substitution of the words "whether or not it is".

5 Alteration of share capital

- 5.1 Regulation 32 shall be amended by the addition to paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share".

- 5.2 Regulation 33 shall not apply to the Company.

6 Proceedings at general meetings

- 6.1 Regulation 40 shall be amended by the addition at the end of the second sentence of the words "provided that if the Company shall have only one member, one member present in person or by proxy shall be a quorum".

- 6.2 Regulation 46 shall be amended by the deletion of paragraphs (a) to (d) inclusive and the substitution of the words "by the chairman or by any person present entitled to vote upon the business to be transacted".

- 6.3 Regulation 54 shall be amended by the addition of the words "or by proxy" between the words "vote," and "shall" and the words "fully paid" between the words "every" and "share".

- 6.4 Regulation 62 shall be amended by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to" and by the insertion at the end of the Regulation after the word "invalid" of the words "unless a majority of the Board resolve otherwise".

- 6.5 Regulation 63 shall be amended by the addition of the words, "left or sent" after the word "deposited".

7 Number of Directors

The number of directors shall not be less than one. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles. Regulations 64 and 89 shall be amended accordingly.

8 Alternate Directors

- 8.1 The appointment of an alternate director shall not be subject to approval by resolution of the directors. Regulation 65 shall be amended accordingly.
- 8.2 Regulation 66 shall be amended by the insertion in the first sentence between the words "shall" and "be" of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)".
- 8.3 Regulation 67 shall be amended by the deletion of the words from "but" until the end of that Regulation.
- 8.4 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 8.5 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present.

9 Appointment and retirement of Directors

- 9.1 Directors shall not be required to retire by rotation. Accordingly:-
- (a) Regulations 73, 74, 75 and 80 shall not apply to the Company.
 - (b) Regulation 76 shall be amended by the deletion of the words "other than a director retiring by rotation", "or reappointed" and "or reappointment" each time they appear in that Regulation.
 - (c) Regulation 77 shall be amended by the deletion of the words "(other than a director retiring by rotation at the meeting)", "or reappointment" and "or reappointed" each time they appear in that Regulation.
 - (d) Regulation 78 shall be amended by the deletion of the words "and may also determine the rotation in which any additional directors are to retire".
 - (e) Regulation 79 shall be amended by the deletion of the second and third sentences in that Regulation.
 - (f) the last sentence of Regulation 84 shall not apply to the Company.
- 9.2 The office of a director shall be vacated if both:-
- (a) (being an executive director of the Company or any subsidiary) he ceases to hold office as an employee of the Company or any subsidiary without being appointed or continuing to be an employee of another member of the Group; and
 - (b) a majority of the Board so requires.
- Regulation 81 shall be extended accordingly.
- 9.3 Regulation 82 shall be amended by the addition of the words "by way of directors' fees" shall be inserted between the words "remuneration" and "as".

9.4 Regulation 84 shall be amended by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence and the deletion of the fourth sentence.

9.5 Regulation 85(c) shall be amended by the addition of the words ", subject to the terms of any contract of employment between the Company and the director," between the words "shall" and "not".

10 Proceedings of Directors

10.1 Regulation 72 shall be amended by the addition of the words "Any committee shall have power, unless the directors direct otherwise, to co-opt as a member or members of the committee for any specific purposes any person, or persons, not being a director of the Company." at the end of that Regulation.

10.2 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is.

10.3 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section. Subject where applicable to such disclosure a director may vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company and be counted in determining the quorum. Regulations 94 and 95 shall not apply to the Company.

11 Notices

11.1 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board or shall be sent to any number or address used for the purpose of electronic communications and identified for that purpose by the Company.

11.2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender.

11.3 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given by post. Proof of who was telephoned and the date and time of the call shall be conclusive evidence that notice was given by telephone. A comprehensive transaction report or log generated by a fax machine, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by e-mail. A notice shall be deemed to have been

given at the expiration of 24 hours after the envelope containing it was posted or in the case of a notice contained in an electronic communication (other than notices transmitted by telephone call which shall be deemed to have been given immediately after the time the telephone call was made), at the expiration of 24 hours after the time it was sent. Regulation 115 shall not apply to the Company.

12 Indemnity

12.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company and, if the Board so determines, the Auditors shall be indemnified out of the assets of the Company against any costs, charges, losses and liabilities incurred by him for negligence, default, breach of duty or breach of trust in relation to the Company provided that nothing in this Article shall be deemed to provide for or entitle any such person to indemnification to the extent that it would cause this Article or any element of it to be treated as void under the Act.

12.2 Pursuant to section 310(3) of the Act the Company may purchase and maintain indemnity insurance cover for any director, officer or auditor of the Company and such indemnity insurance cover extends to former directors and officers of the Company

Regulation 118 shall not apply to the Company.

13 Special article

13.1 Whenever a company wherever incorporated (hereinafter called the "**Parent Company**") shall be the holder of not less than 90 per cent of the Shares of the Company the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:

- (a) the Parent Company may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed, but so that in the case of a managing director his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office;
- (b) no unissued securities or Shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company; and
- (c) any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

13.2 Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose.

13.3 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors.

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

Articles of Association

of

CALMAC FERRIES LIMITED

1 Definitions and interpretation

1.1 In these Articles, unless the context requires otherwise:

the "**Company**" means CalMac Ferries Limited;

"**Act**" means the Companies Act 1985 as amended and construed at the date of adoption of these Articles;

"**Board**" means the board of directors of the Company from time to time;

"**Group**" means the Company and all its subsidiaries and subsidiary undertakings from time to time and "**member of the Group**" shall be construed accordingly;

"**Member**" means any registered holder of a Share;

"**Share**" means a share in the capital of the Company; and

"**Table A**" means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000.

1.2 The regulations of Table A shall be incorporated into and form part of these Articles and shall apply to the Company insofar as such regulations are not excluded, amended or modified by or inconsistent with this document.

1.3 References in these Articles to Regulations are to regulations in Table A and references to an Article by number are to a particular Article of these Articles.

1.4 These Articles and the Regulations incorporated into them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.

1.5 In these Articles where the context so permits:

(a) words importing the singular number only shall include the plural number, and vice versa;

(b) words importing the masculine gender only shall include the feminine gender;

- (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships; and
 - (d) the expression "**paid up**" shall include credited as paid up.
- 1.6 Words and expressions defined in or for the purposes of the Act or Table A shall, unless these Articles provide otherwise, have the same meaning in these Articles.
- 1.7 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them.
- 1.8 Headings used in these Articles shall not affect their construction or interpretation.
- 1.9 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.
- 2 Share capital**
- 2.1 The Company is a private company as defined by Section 1 of the Act and accordingly any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company or any allotment of or agreement to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public shall be prohibited.
- 2.2 The authorised share capital of the Company at the date of the adoption of these Articles is £100 divided into 100 Ordinary Shares of £1.
- 2.3 The Company shall be entitled, but shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust (whether express, implied or constructive) in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners thereof. For the purposes of this Article, "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission thereof as are mentioned in Table A. Regulation 5 shall not apply to the Company.
- 2.4 The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two directors or any one director and the secretary. Regulation 6 shall be extended accordingly.
- 3 Issue of shares**
- 3.1 The directors are generally and unconditionally authorised to allot relevant securities (within the meaning of Section 80(2) of the Act) on such terms and at such time or times as they may in their discretion think fit; provided that:-
 - (a) the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be the aggregate nominal amount of the authorised but unissued Shares from time to time while this authority is in force; and
 - (b) this authority shall expire, unless sooner revoked or altered by the Company in general meeting, on the expiry of the period of five years from the date of

incorporation of the Company provided that the Company may before such expiry make one or more offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities after such authority has expired in pursuance of every such offer or agreement as if the power conferred hereby had not expired.

- 3.2 The authority conferred by this Article 3 is in substitution for each (if any) other authority already given pursuant to the said section 80 whether contained in earlier articles of association of the Company or otherwise and each (if any) such earlier authority is hereby revoked but without prejudice to the validity of any allotment offer or agreement made pursuant to any such earlier authority before the date of adoption of these Articles.

- 3.3 Section 89(1) and Sections 90(1) to (6) of the Act shall not apply to the Company.

4 Transfer of shares

Regulation 24 shall be amended by the addition of the words "(in their absolute discretion and without assigning any reason therefor)" between the words "may" and "refuse" and the deletion of the words "which is not" and the substitution of the words "whether or not it is".

5 Alteration of share capital

- 5.1 Regulation 32 shall be amended by the addition to paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share".

- 5.2 Regulation 33 shall not apply to the Company.

6 Proceedings at general meetings

- 6.1 Regulation 40 shall be amended by the addition at the end of the second sentence of the words "provided that if the Company shall have only one member, one member present in person or by proxy shall be a quorum".

- 6.2 Regulation 46 shall be amended by the deletion of paragraphs (a) to (d) inclusive and the substitution of the words "by the chairman or by any person present entitled to vote upon the business to be transacted".

- 6.3 Regulation 54 shall be amended by the addition of the words "or by proxy" between the words "vote," and "shall" and the words "fully paid" between the words "every" and "share".

- 6.4 Regulation 62 shall be amended by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to" and by the insertion at the end of the Regulation after the word "invalid" of the words "unless a majority of the Board resolve otherwise".

- 6.5 Regulation 63 shall be amended by the addition of the words, "left or sent" after the word "deposited".

7 Number of Directors

The number of directors shall not be less than one. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles. Regulations 64 and 89 shall be amended accordingly.

8 Alternate Directors

- 8.1 The appointment of an alternate director shall not be subject to approval by resolution of the directors. Regulation 65 shall be amended accordingly.
- 8.2 Regulation 66 shall be amended by the insertion in the first sentence between the words "shall" and "be" of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)".
- 8.3 Regulation 67 shall be amended by the deletion of the words from "but" until the end of that Regulation.
- 8.4 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 8.5 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present.

9 Appointment and retirement of Directors

- 9.1 Directors shall not be required to retire by rotation. Accordingly:-
- (a) Regulations 73, 74, 75 and 80 shall not apply to the Company.
 - (b) Regulation 76 shall be amended by the deletion of the words "other than a director retiring by rotation", "or reappointed" and "or reappointment" each time they appear in that Regulation.
 - (c) Regulation 77 shall be amended by the deletion of the words "(other than a director retiring by rotation at the meeting)", "or reappointment" and "or reappointed" each time they appear in that Regulation.
 - (d) Regulation 78 shall be amended by the deletion of the words "and may also determine the rotation in which any additional directors are to retire".
 - (e) Regulation 79 shall be amended by the deletion of the second and third sentences in that Regulation.
 - (f) the last sentence of Regulation 84 shall not apply to the Company.
- 9.2 The office of a director shall be vacated if both:-
- (a) (being an executive director of the Company or any subsidiary) he ceases to hold office as an employee of the Company or any subsidiary without being appointed or continuing to be an employee of another member of the Group; and
 - (b) a majority of the Board so requires.
- Regulation 81 shall be extended accordingly.
- 9.3 Regulation 82 shall be amended by the addition of the words "by way of directors' fees" shall be inserted between the words "remuneration" and "as".

9.4 Regulation 84 shall be amended by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence and the deletion of the fourth sentence.

9.5 Regulation 85(c) shall be amended by the addition of the words ", subject to the terms of any contract of employment between the Company and the director," between the words "shall" and "not".

10 Proceedings of Directors

10.1 Regulation 72 shall be amended by the addition of the words "Any committee shall have power, unless the directors direct otherwise, to co-opt as a member or members of the committee for any specific purposes any person, or persons, not being a director of the Company." at the end of that Regulation.

10.2 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is.

10.3 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section. Subject where applicable to such disclosure a director may vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company and be counted in determining the quorum. Regulations 94 and 95 shall not apply to the Company.

11 Notices

11.1 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board or shall be sent to any number or address used for the purpose of electronic communications and identified for that purpose by the Company.

11.2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender.

11.3 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given by post. Proof of who was telephoned and the date and time of the call shall be conclusive evidence that notice was given by telephone. A comprehensive transaction report or log generated by a fax machine, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the company, shall be conclusive evidence that notice was given by e-mail. A notice shall be deemed to have been

given at the expiration of 24 hours after the envelope containing it was posted or in the case of a notice contained in an electronic communication (other than notices transmitted by telephone call which shall be deemed to have been given immediately after the time the telephone call was made), at the expiration of 24 hours after the time it was sent. Regulation 115 shall not apply to the Company.

12 Indemnity

12.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company and, if the Board so determines, the Auditors shall be indemnified out of the assets of the Company against any costs, charges, losses and liabilities incurred by him for negligence, default, breach of duty or breach of trust in relation to the Company provided that nothing in this Article shall be deemed to provide for or entitle any such person to indemnification to the extent that it would cause this Article or any element of it to be treated as void under the Act.

12.2 Pursuant to section 310(3) of the Act the Company may purchase and maintain indemnity insurance cover for any director, officer or auditor of the Company and such indemnity insurance cover extends to former directors and officers of the Company

Regulation 118 shall not apply to the Company.

13 Special article

13.1 Whenever a company wherever incorporated (hereinafter called the "Parent Company") shall be the holder of not less than 90 per cent of the Shares of the Company the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:

- (a) the Parent Company may at any time and from time to time appoint any person to be a director or remove from office any director howsoever appointed, but so that in the case of a managing director his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office;
- (b) no unissued securities or Shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company; and
- (c) any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

13.2 Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose.

