

Company Number: 3903109

The Companies Acts 1985 and 1989

Company Limited by Shares

Written Resolution

of

Northern Continental Lines Limited

("the Company")

Pursuant to Regulation 53 of Table A of the Companies Act 1985 (as amended by the Companies Act 1989), the undersigned being the sole member of the Company for the time being entitled to receive notice of and to attend and vote at general meetings of the Company hereby resolves the following resolution as a written resolution of the Company.

Written Resolution

That the articles of association contained in the document annexed hereto be and the same are hereby adopted as the articles of association of the Company to the exclusion of and in substitution for the existing articles of association of the Company.

X 1. Robert Klau
Blyth Harbour Commission

Dated: 12 OCTOBER 2000



The Companies Acts 1985 and 1989

Private Company Limited by Shares

**Articles of Association
of
Northern Continental Lines Limited
Incorporated on 7 January 2000**

Adopted by Special Resolution passed on 12 October 2000

**Robert Muckle
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NE1 8AS**

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Articles of Association

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1. Interpretation

- 1.1 The regulations contained in Table A ("Table A") in the schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) Amendment Regulations 1985 shall apply to the Company save insofar as they are excluded or varied by these articles.
- 1.2 In these regulations and in the regulations of Table A that apply to the Company, "the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.
- 1.3 Unless the context otherwise requires, words or expressions contained in these regulations and in the regulations of Table A bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations are adopted by the Company, words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and reference to persons shall include bodies corporate, unincorporated association and partnerships.
- 1.4 The headings in these regulations are for ease of reference only and shall not affect the construction or interpretation of the articles.

2. Private Company

The Company is a private company within the meaning of section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. Share Capital

3.1 The share capital of the Company is £1,000,000 divided into 200,000 ordinary shares of £1 each ("Ordinary Shares") and 800,000 redeemable shares of £1 each ("Redeemable Shares").

3.2 Subject to the provisions of the Act and without prejudice to article 3.3 any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder of such shares on such terms and in such manner as may be provided by the articles or as the Company may by resolution determine. Regulation 3 of Table A shall not apply.

3.3 The unissued shares in the capital of the Company for the time being shall be under the control of the directors, who are hereby generally and unconditionally authorised to allot, grant options over, or otherwise dispose of or deal with any unissued shares and relevant securities (as defined in section 80(2) of the Act) to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company provided that the authority contained in this article insofar as the same relates to relevant securities (as defined as aforesaid) shall unless revoked or varied in accordance with section 80 of the Act:

- 3.3.1 be limited to a maximum nominal amount of shares equal to the amount of the authorised share capital of the Company at the date of adoption of these articles; and
- 3.3.2 expire on the fifth anniversary of the date of adoption of these articles but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the directors after such anniversary of their powers in pursuance of the said authority.
- 3.4 In exercising their authority under article 3.3 the directors shall not be required to have regard to sections 89(1) and 90(1) to (6) (inclusive) of the Act which sections shall not apply to the Company.
- 4. Share Rights**
- 4.1 Ordinary Shares and Redeemable Shares shall confer on their holders the right to receive notice of, to be present at and to vote, either in person or by proxy, at any meeting of the shareholders of the Company and on a show of hands every shareholder shall have one vote and on a poll every such holder present in person or by proxy shall have one vote for every share held by him.
- 4.2 The Redeemable Shares shall, in addition to all rights attaching to the Ordinary Shares, be redeemable by payment in full of the par value at such times as the board of directors of the Company may determine provided that the Redeemable Shares shall be redeemed pro-rata to holdings of Ordinary Shares.
- 4.3 No Redeemable Shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purposes of the redemption.

4.4 Save as aforesaid the Ordinary Shares and the Redeemable Shares shall confer no further rights to vote or to participate in the profits or assets of the Company.

5. **Lien**

The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company, whether he shall be the sole registered holder thereof or shall be one of several joint holders; 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. Regulation 8 of Table A shall not apply.

6. **Transfer of Shares**

6.1 The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof; provided that in the case of a partly paid share the instrument of transfer must also be signed by the transferee. Regulation 23 of Table A shall not apply.

6.2 Regulation 24 of Table A shall not apply.

6.3 The directors shall refuse to register any transfer of shares made in contravention of the provisions of article 7.

7. Pre-emption Rights

- 7.1 Any member ("Vendor") who wishes to transfer shares or any beneficial interest therein shall serve notice on the Company ("Transfer Notice") stating the number of shares he wishes to transfer ("Shares"). The asking price ("Asking Price") shall be the price agreed between the Vendor and the board or if they do not agree a price, the price certified by the Company's auditors or another firm of chartered accountants of repute appointed by the board, acting as experts and not as arbitrators to the market value which is in the opinion of the auditors/accountants likely to result in a sale of the shares immediately. The Vendor may state in the Transfer Notice that he is only willing to transfer all the Shares, in which case no Shares can be sold unless offers are received for all of them.
- 7.2 The Transfer Notice shall make the Company the agent of the Vendor for the sale of the Shares on the following terms, which the Company shall notify to the other members holding shares of the same class as the Shares ("Members") within seven days of receiving the Transfer Notice:
- 7.2.1 the price for each Share is the Asking Price;
 - 7.2.2 the Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;
 - 7.2.3 each of the Members is entitled to buy the Shares in proportions reflecting, as nearly as possible, the nominal amount of their existing holdings of shares;
 - 7.2.4 any Member is entitled to buy fewer Shares than his proportional entitlement;
 - 7.2.5 Members may offer to buy any number of the Shares that are not accepted by the other Members ("Excess Shares").

- 7.3 21 days after the Company's despatch of notification to the Members pursuant to article 7.2 (the "Closing Date"):
- 7.3.1 the Transfer Notice shall become irrevocable;
 - 7.3.2 a Member who has not responded to the offer in writing shall be deemed to have declined it; and
 - 7.3.3 each offer made by a Member to acquire Shares shall become irrevocable.
- 7.4 If the Company receives offers for more Shares than the number of Shares, each Member who offered to buy Excess Shares shall be entitled to a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received.
- 7.5 Within seven days after the Closing Date, the Company shall notify the Vendor and the Members who offered to buy the Shares of the result of the offer and, if any Shares are to be sold pursuant to the offer:
- 7.5.1 the Company shall notify the Vendor of the names and addresses of the Members who are to buy Shares and the number to be bought by each;
 - 7.5.2 the Company shall notify each Member of the number of Shares he is to buy; and
 - 7.5.3 the Company's notices shall state a place and time, between 7 and 14 days later, on which the sale and purchase of the Shares is to be completed.
- 7.6 If the Vendor does not transfer Shares in accordance with article 7.5, the directors may authorise any director to transfer the Shares on the Vendor's behalf to the buying Members concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price on trust for the Vendor without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the

buying member. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Vendor shall surrender his share certificate for the Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Shares.

- 7.7 If, by the Closing Date, the Company has not received offers for all the Shares, the Vendor may within the next two months transfer the Shares for which offers were not received (or, if the Transfer Notice stated that he was only willing to transfer all the Shares and offers were not received for all the Shares) to any person at no less than the Asking Price per Share, with any other terms being no more favourable than those in the Transfer Notice, subject to the approval of the directors, which shall not be unreasonably withheld or delayed.

8. Variation of Rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

9. Number of Directors

The minimum number of directors shall be one and there shall be no maximum number. Regulation 64 of Table A shall not apply.

10. Alternate Directors

- 10.1 Any director (other than an alternate director) may appoint any other director, or any other person approved unanimously in writing by the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Save as otherwise provided in these articles, unless he is already an officer of the Company in his own right, an alternate director shall not, as such, have any rights other than those mentioned in article 10.2 below.
- 10.2 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, and to attend, speak and vote at any such meeting at which the director appointing him is not personally present but it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom. A director present at such meeting and appointed alternate director for any other directors entitled to attend and vote at such meeting shall have an additional vote for each of his appointors absent from the meeting. An alternate director shall not be entitled to receive any remuneration from the Company for his services as an alternate director.
- 10.3 An alternate director shall cease to be an alternate director if his appointor ceases to be a director.
- 10.4 Any appointment or removal of any alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.
- 10.5 Without prejudice to article 10.2 and save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be

responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

10.6 Regulations 65 to 69 (inclusive) shall not apply and regulation 88 shall be modified accordingly.

11. Powers of Directors

The directors may sanction the exercise by the Company of all the powers of the Company to make provision for the benefit of persons (including directors) employed or formerly employed by the Company or any subsidiary of the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or any such subsidiary as are conferred by section 719 of the Act and, subject to such sanction, the directors may exercise all such powers of the Company.

12. Appointment and Retirement of Directors

12.1 The directors of the Company shall not retire by rotation and Regulations 73 to 77 (inclusive) of Table A shall not apply and Regulation 78 shall be modified accordingly.

12.2 The directors shall have power at any time and from time to time to appoint any other person to be a director of the Company either to fill a casual vacancy or as an addition to the Board. Subject to article 13.1 a director may be appointed under this article to hold office for life or any other period or upon such terms in respect of his retirement as the directors shall at the time of his appointment determine. Regulation 79 of Table A shall not apply.

13. Disqualification and Removal of Directors

13.1 The office of director shall be vacated if:-

13.1.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or

13.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

13.1.3 he is, or may be, suffering from mental disorder and either:-

13.1.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or in Scotland an application for admission under the Mental Health (Scotland) Act 1960 or

13.1.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver curator bonis or other person to exercise powers with respect to his property or affairs; or

13.1.4 he resigns his office by notice in writing to the Company; or

13.1.5 he is removed from office under Section 303 of the Act, or by extraordinary resolution of the Company; or

13.1.6 he shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated.

13.2 No person shall be disqualified from being or becoming a director of the Company by reason of his attaining or having attained the age of 70 years or any other age.

14. Directors' Interests

Provided that a director declares his interest in a contract or arrangement or proposed contract or arrangement with the Company in the manner provided by Section 317 of the Act he shall be counted in the quorum of any meeting of directors at which the same is considered and shall be entitled to vote as a director in respect thereof. Regulations 94 and 95 of Table A shall not apply.

15. Directors' Gratuities and Pensions

The directors shall have power to pay or provide and agree to pay or provide pensions or other retirement, superannuation, death or disability benefits to, or to any person in respect of, any director or former director who may hold or have held any executive office or any office of profit under the Company or any subsidiary or holding company of the Company or another subsidiary of any such holding company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums (whether before or after such director ceases to hold office or employment). A director may vote at a meeting of directors in respect of any matter referred to in this article, notwithstanding that he is personally interested in such matter and shall be counted in the quorum present at the meeting. Regulation 87 of Table A shall not apply.

16. Proceedings of Directors

16.1 The quorum for the transaction of the business of the directors shall, except when one director only is in office, be three comprising one director appointed by each of the shareholders of the Company. A person who holds office as an alternate director shall, if his appointor is not present, be counted in the quorum. When one director only is in office he shall have and may exercise all the powers and authorities in and over the

affairs of the Company as are conferred on the directors by the articles. Regulation 89 of Table A shall not apply.

16.2 A resolution in writing signed by a majority of the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. Regulation 93 of Table A shall not apply.

16.3 A board meeting may be held by the directors by telephone conference (or by similar means) where each of the directors may be heard by and speak to each of the others simultaneously. In such case the meeting shall be deemed to have been held at the location of the director appointed chairman of the meeting. A director taking part in such a conference shall be deemed to be present in person and shall be entitled to vote or be counted in a quorum accordingly.

16.4 If at any board meeting the quorum is not present, the board meeting shall be postponed and re-convened one week later at the same time and place. If at any re-convened board meeting the quorum is still not present, the transaction of the business will take place notwithstanding that the quorum of three is not present and the director in attendance shall constitute a quorum for the purposes of that meeting.

17. Dividends

17.1 The directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person under those provisions is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same, in this case subject to articles 6 and 7. Regulation 31 of Table A shall be modified accordingly.

17.2 The payment by the directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company. Regulation 108 of Table A shall not apply.

18. Notices

18.1 Any notice given to or by any person pursuant to the Articles shall be in writing except that any notice calling a meeting of the directors need not be in writing. Any notice given by or on behalf of any person to the Company may be given by leaving the same at or by sending the same by post to the registered office of the Company or such other place as the directors may appoint. Regulation 111 of Table A shall not apply.

18.2 Proof that any envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 24 hours after the envelope containing it was posted. Regulation 115 of Table A shall not apply.