

Company No.

THE COMPANIES ACT 1985

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
MIDLANDS AEROSPACE ALLIANCE**

Incorporated *8th February* 2005

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THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION
OF
MIDLANDS AEROSPACE ALLIANCE

1. The Company's name is "Midlands Aerospace Alliance".
2. The Company's registered office is to be situated in England and Wales.
- 3.
- 3.1 The Company's object is to promote and advance commerce and in particular (without limitation) to promote and advance, directly or indirectly, the aerospace sector, principally (but not exclusively) in the Midlands, in particular (but not exclusively) by:
 - 3.1.1 facilitating communication among those involved in the aerospace sector and providing a focal point for information sharing;
 - 3.1.2 providing a focal point for companies to network and develop partnership approaches to business opportunities;
 - 3.1.3 assisting regional aerospace companies to market effectively their products and services;
 - 3.1.4 assisting in the effective development and/or marketing of their products and services for other sectors (diversification);
 - 3.1.5 helping initiate and support inward and outward trade missions;
 - 3.1.6 monitoring the regional aerospace business climate and regional skills needs and proposing ways to improve the business climate and skills provision;
 - 3.1.7 working in partnership to formulate and deliver an aerospace strategy for the Midlands;

- 3.1.8 representing the aerospace sector to the Learning and Skills Councils, Government, business support agencies, universities and other relevant parties;
- 3.1.9 providing a common regional channel for aerospace opportunities and initiatives to aerospace companies; and
- 3.1.10 facilitating access to funding and support opportunities;

AND so that in this clause 3:

- (a) references to the "aerospace sector" include, without limitation, the design, development, manufacture and/or supply of aircraft, spacecraft, components thereof, facilities relating to aviation and airports and management and other systems relating thereto (or any part or parts of such activities); and
- (b) references to "the Midlands" are to the parts of England served by Advantage West Midlands and the East Midlands Development Agency.

3.2 In furtherance of the above object but not further or otherwise, the Company shall have the power to do any of the following:

- 3.2.1 to borrow and raise money for the furtherance of the object of the Company in such manner and on such security as the board of directors may think fit;
- 3.2.2 to raise funds and to invite and receive contributions from any person or persons whatsoever by way of donation or otherwise;
- 3.2.3 to lend money and give credit to, to take security for such loans or credit from, and to guarantee and become or give security for the performance of contracts and obligations by, any person or company;
- 3.2.4 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable, transferable, or mercantile instruments;
- 3.2.5 to invest the moneys of the Company not immediately required for the furtherance of its object in or upon such investments, securities or property as the board of directors may think fit, subject nevertheless to such

conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;

- 3.2.6 to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain and alter any buildings or erections which the board of directors may think necessary for the promotion of the Company's object;
- 3.2.7 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 d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account or grant licences or privileges in respect of the same;
- 3.2.8 to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company with a view to the furtherance of its object;
- 3.2.9 subject to **clause 6** to employ and pay such professional advisers, workmen, clerks and other staff as are necessary for the furtherance of the object of the Company;
- 3.2.10 to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants;
- 3.2.11 to purchase and maintain, for the benefit of any director, officer or auditor of the Company, insurance against any liability as is referred to in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, officer or auditor and, subject also to the provisions of the Act, to indemnify any such person out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability;
- 3.2.12 to subscribe to, become a member of, or amalgamate or co-operate with any other organisation, institution, society or body not formed or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part

similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members and to purchase or otherwise acquire and undertake all such part of the property, assets, liabilities and engagements as may lawfully be acquired or undertaken by the Company of any such organisation, institution, society or body;

- 3.2.13 to establish and support or aid the establishment and support of any charitable trusts, associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with or calculated by the board of directors to further the object of the Company;
- 3.2.14 to do all or any of the things hereinbefore authorised either alone or in conjunction with any other organisation, institution, society or body with which this Company is authorised to amalgamate;
- 3.2.15 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company;
- 3.2.16 to enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may to the board of directors seem conducive to the attainment of the Company's object, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the board of directors may think desirable and to carry out, exercise and comply with any such charters, decrees, rights, privileges and concessions;
- 3.2.17 to do all such other lawful things as are necessary for the attainment of the Company's object;

AND so that:

- (a) the word "company" in this **clause 3**, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
- (c) in this **clause 3** the expression "the Act" means the Companies Act 1985, but so that any reference in this **clause 3** to any provision of the Act shall be deemed to include a reference to

any statutory modification or re-enactment of that provision at the time this **clause 3** takes effect; and

(b) in this **clause 3** the expression "subsidiary" shall have the meaning given to it by section 736 of the Act.

4. The liability of the members is limited.
5. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1.00) to the Company's assets if it should be wound up while he is a member, or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
6. The income and property of the Company shall be applied solely towards the promotion of its object as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company, and no member of its board of directors shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company provided that nothing herein shall prevent any payment in good faith by the Company:
 - 6.1 of reasonable and proper remuneration to any member, officer or servant of the Company (not being a member of its board of directors) for any services rendered to the Company;
 - 6.2 of interest on money lent by any member of the Company or of its board of directors at a reasonable and proper rate per annum;
 - 6.3 of reasonable and proper rent for premises demised or let by any member of the Company;
 - 6.4 of fees, remuneration or other benefit in money or money's worth to any company of which a member of the board of directors may also be a member holding not more than 1/100th part of the capital of that company; and
 - 6.5 to any member of its board of directors of reasonable out-of-pocket expenses.
7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not

be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the object of the Company, and which shall prohibit the distribution of its or their income and property to its members, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.

Names, addresses and descriptions of Subscribers

Signature: ALCORN
Name: ALCORN, CROFTON
Address: 17, PRILEY MOSE, PRILEY
RD. 1, KENILWORTH
Occupation: AVIATION ENGINEER

Witness to the signature on behalf of
MEGGITT PLC:
Signature: P. Painting
Name: PAMELA PAINTING
Address: 51 CRAIGHOR AVENUE
BOURNEMOUTH BH8 9LP DORSET
Occupation: SECRETARY

Witness to the signature on behalf of EAST
MIDLANDS DEVELOPMENT AGENCY:
Signature: MIB
Name: MARTIN BRIGGS
Address: C/O CMDR, ALEX COURT,
CITY LINK, NOTTINGHAM, NG2 4LA
Occupation: CHIEF EXECUTIVE

Witness to the signature on behalf of GOODRICH
CONTROL SYSTEMS LIMITED:
Signature: L. Chapman
Name: LORRAINE C. CHAPMAN
Address: 15 BUTLER RD
SOUTHILL WEST MIDLANDS
Occupation: ADMIN ASSISTANT

Witness to the signature on behalf of ROLLS-ROYCE
PLC:
Signature: K. Hollings
Name: KAROL HOLLINGS, DET.
Address: 4 ELM GROVE, CARLTON
NOTTINGHAM
Occupation: CLERICAL SEC. RET.

8

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION
OF
MIDLANDS AEROSPACE ALLIANCE

1. PRELIMINARY

The regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

2. INTERPRETATION

In these Articles the following expressions have the following meanings unless inconsistent with the context:

"the Act"	The Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
"these Articles"	these Articles of Association, whether as originally adopted or as from time to time altered by special resolution
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
"the directors"	the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company

“executed”	includes any mode of execution
“group”	in relation to a body corporate, it, any other body corporate which is its holding company or subsidiary and any other body corporate which is a subsidiary of that holding company
“the Midlands”	the parts of England served by Advantage West Midlands and the East Midlands Development Agency
“office”	the registered office of the Company
“person”	includes a body corporate, unincorporated association or partnership
“the seal”	the common seal of the Company (if any)
“secretary”	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary
“the Sector”	the aerospace sector, as defined in clause 3.1 of the Company’s Memorandum of Association
“the United Kingdom”	Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

3. **MEMBERS**

- 3.1 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with these Articles shall be members of the Company. No person shall be admitted as a member of the Company unless he is approved by the directors. Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the directors require to be executed by him agreeing to be bound by the

Memorandum and Articles of Association of the Company and being so admitted his name shall be entered in the register of members of the Company.

3.2 No person may be admitted to membership of the Company unless such person is accepted by the directors as:

3.2.1 being interested in its or his own right (and not merely as an officer or employee of a person so interested) in the Sector (whether as a commercial company, firm, academic institution, public body or in any other way); and

3.2.2 having a place of business (or, in the case of a body which does not operate a business, a place at which its activities are conducted) in the Midlands.

3.3 A person carrying on business or engaged in other activities through more than one branch, section or division may, if permitted by the directors (in their absolute discretion), be admitted to separate membership of the Company in respect of all or any of such branches, sections or divisions where the business or activities thereof, if carried on alone, would constitute a qualification under these Articles for membership; and any such person shall pay separate annual subscriptions in respect of each such separate membership. Separate companies within a group may likewise, if permitted by the directors (in their absolute discretion) be admitted to separate membership of the Company. In the exercise of their discretions under this **Article 3.3** the directors may, without limitation, from time to time decide on criteria to determine the maximum number of branches, sections or divisions within a company or other person, or of companies within a group, which may be admitted to membership, but no such decision shall have retrospective effect.

3.4 The directors may require to be provided to them such evidence as they think fit that any qualification for or condition of membership is duly satisfied, whether on application for membership or at any time after admission.

3.5 Any question whether a person is qualified for admission to membership or continued membership shall be settled by the directors, whose decision shall be final. Subject to the foregoing, the directors shall have an absolute discretion in determining whether to accept or reject any application for membership or to terminate membership pursuant to **Article 3.11.4** and shall not be bound to assign any reason for their decision, but nothing in these Articles shall entitle the directors to discriminate in any way between applicants for membership by reason of race, colour, sex, religion or disability.

- 3.6 If any member transfers its business or activities to a person which is not already a member of the Company, the transferee may with the approval of the directors (in their absolute discretion), subject to such evidence as to due qualification as the directors may require, be admitted as a member in place of the transferor (which shall then cease to be a member), and any subscription fee paid by the transferor in respect of a period not then ended shall be treated as if paid by the transferee.
- 3.7 The membership of a partnership or unincorporated association shall not be treated as affected by any change in its constitution, so long as it otherwise remains duly qualified for membership. All the members for the time being of such partnership or association shall be deemed jointly to constitute a single member of the Company.
- 3.8 Each member which is not an individual shall, upon admittance to membership, nominate an individual to act on its behalf as its representative and may from time to time withdraw such nomination and substitute another in its place. Each such nomination, or withdrawal of a nomination, shall be made by notice in writing to the Company and shall take effect on receipt at the office. The Company shall be entitled to treat any individual so nominated as being the person entitled to receive notices of meetings, and to exercise all voting and other rights, on behalf of the member nominating him.
- 3.9 The secretary shall keep a register of all members and (where applicable) their nominated representatives.
- 3.10 A member may at any time withdraw from the Company by giving at least seven clear days' notice in writing to the Company provided that after such retirement the number of members remaining is not less than two. Membership shall not (subject to **Article 3.6**) be transferable.
- 3.11 A member shall cease to be a member of the Company immediately on notice to that effect being given to him by the directors in any of the following circumstances:
- 3.11.1 if, being a body corporate or incorporate, an order is made or effective resolution passed for winding up;
 - 3.11.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - 3.11.3 if such member neglects or refuses to comply with any Articles of Association and/or bye-laws of the Company (including, without limitation, those relating to subscription fees) after written notice has been sent to him

on the instructions of the directors directing his attention to such neglect or refusal; or

3.11.4 if, in the opinion of the directors, such member has ceased to satisfy the qualifications for membership provided for in **Article 3.2**.

4. **ASSOCIATE MEMBERS**

4.1 Any person may be admitted as an associate member of the Company if approved as such by the directors in their absolute discretion. An associate member shall not, for any purposes of the Act, the Company's Memorandum of Association or these Articles, be treated as a member of the Company, and in particular (but without limitation) shall have no right to receive notices of or to attend or vote at general meetings. The rights and obligations of associate members shall be such as are from time to time agreed between the Company and them.

4.2 Notwithstanding **Article 4.1**, the provisions of **Articles 3.4** (insofar as they may be relevant in the light of any qualifications for or conditions of associate membership which may from time to time be decided by the directors), **3.5, 3.6, 3.7, 3.9, 3.11** (but as if its reference to the qualifications for membership provided for in **Article 3.2** were instead to any qualifications for or conditions of associate membership from time to time) and **5** shall apply to associate members as they do to members.

5. **SUBSCRIPTION FEES**

5.1 Each member shall pay to the Company, as an annual subscription fee, such amount as is determined from time to time by the directors. The directors shall be entitled in their absolute discretion to charge different amounts (or no amount) for different members or categories of members, on the basis of such criteria (including, for the avoidance of doubt, criteria for determining categories of members) as the directors from time to time determine; provided, however, that such criteria shall not include the fee being or including an amount per employee or number of employees (though it is envisaged that the categories of members will include small, medium and large companies/businesses defined by reference to turnover and/or numbers of employees in the Midlands).

5.2 Subscription fees, and the years in respect of which they are payable, shall be decided by the directors no later than one month before the commencement of each such year.

5.3 Subscription fees for the first such year and the proportion to be paid by an applicant for membership during that year shall be such as the directors determine. Thereafter, where an applicant is admitted to membership, the subscription fee for the part of the year from the date of admission to the end of such year shall be reduced by one quarter for each three-month period in such year during which he is not at any time a member.

5.4 Where a member ceases to be a member, he shall (subject to **Article 3.6**) be entitled to a refund of the subscription fee paid by him for the current year, reduced by one quarter thereof for each three-month period during which he has at any time been a member.

5.5 If any member fails to pay a subscription fee within thirty days after being requested so to do, he shall not be entitled to any of the privileges of membership so long as such subscription is in arrears.

5.6 The rights and advantages of a member conferred by payment of the subscription fee shall, in addition to those conferred by these Articles, be such (for example, rights to attend events organised by the Company and/or to receive any other benefits) as are determined by the directors in their absolute discretion from time to time.

6. **GENERAL MEETINGS**

6.1 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 notice 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. The annual general meeting shall be held at such time and place as the directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

6.2 The directors may call general meetings.

6.3 If at any time there are not within the United Kingdom sufficient directors capable of acting to call a general meeting, 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.

7. **NOTICE OF GENERAL MEETINGS**

7.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. All other

meetings of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least fourteen clear days' notice. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted, in case of special business.

7.2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the profit and loss account, balance sheet, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.

7.3 Subject to the provisions of these Articles notice of general meetings shall be given to all members, to all directors and to the auditors.

7.4 Notwithstanding the foregoing provisions of these Articles a general meeting may be called by shorter notice if it is so agreed in accordance with section 369(3) of the Act.

7.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

7.6 Notwithstanding that the Company does not have a share capital, every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies.

8. PROCEEDINGS AT GENERAL MEETINGS

8.1 No business shall be transacted at any general meeting unless a quorum of members is present. Save as herein otherwise provided, such number of members who, or whose nominated representatives, personally present at the meeting equals at least five shall be a quorum. If within half an hour from the time appointed for the general meeting a quorum is not present the general meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor the member or members present in person or by proxy shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

- 8.2 The chair, if any, of the directors shall preside as chair at every general meeting of the Company, or if there is no such chair, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall elect one of their number to be chair of the meeting.
- 8.3 If at any meeting no director is willing to act as chair or if no director is present within fifteen minutes after the time appointed for holding the general meeting, the members present shall choose one of their number to be chair of the meeting.
- 8.4 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
- 8.5 The chair 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 which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty 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.
- 8.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- 8.6.1 by the chair; or
 - 8.6.2 by at least two members having the right to vote at the meeting; or
 - 8.6.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting,
- and a demand by a person as a proxy for a member shall be the same as a demand by the member.
- 8.7 Unless a poll is duly demanded a declaration by the chair that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting 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.

- 8.8 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 8.9 A poll shall be taken as the chair directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 8.10 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall be entitled to a casting vote in addition to any other vote which he may have.
- 8.11 A poll demanded on the election of a chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chair directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 8.12 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 8.13 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

9. VOTES OF MEMBERS

- 9.1 On a show of hands every member who, or whose nominated representative, is present in person shall have one vote and on a poll every member who, or whose nominated representative, is present in person or by proxy shall have one vote (but subject to **Article 14.2**).

9.2 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair whose decision shall be final and conclusive.

9.3 A member shall not be entitled to appoint more than one proxy to attend on the same occasion. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

9.4 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor, and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"Midlands Aerospace Alliance.

I/We [NAME] of [SPECIFY] being [the nominated representative, appointed in accordance with the Company's Articles of Association, of] a member of the above named Company, hereby appoint [NAME] of [SPECIFY] or failing him [NAME] of [SPECIFY] as my proxy to vote for me in my name and on my behalf at the [annual] [extraordinary] general meeting of the Company to be held on [DATE], and at any adjournment thereof.

Signed on [DATE]."

9.5 Where it is desired to afford members an opportunity of instructing the proxy how he shall act, the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"Midlands Aerospace Alliance.

I/We [NAME] of [SPECIFY] being [the nominated representative, appointed in accordance with the Company's Articles of Association, of] a member of the above named Company, hereby appoint [NAME] of [SPECIFY] or failing him [NAME] of [SPECIFY] as my proxy to vote for me in my name and on my behalf at the [annual] [extraordinary] general meeting of the Company to be held on [DATE], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 *for *against

Resolution No 2 *for *against

* Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed on [DATE].”

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

9.7 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority notariially or in some other way approved by the directors may:

9.7.1 be deposited at the office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

9.7.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

9.7.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chair of that meeting or to the secretary or to any director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

9.8 A vote given or poll demanded by or on behalf of a member shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

10. **NUMBER OF DIRECTORS**

10.1 The number of directors shall not be more than ~~five~~ fifteen.

10.2 The minimum number of directors shall be four. If at any time the number of directors falls below four, the remaining directors may act only for the purposes of appointing or co-opting an additional director or directors or convening a general meeting.

11. **NO ALTERNATE DIRECTORS**

A director shall not be entitled to appoint an alternate director.

12. **POWERS OF DIRECTORS**

12.1 Subject to the provisions of the Act, the Memorandum of Association of the Company and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum of Association or of these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this **Article 12.1** shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

12.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.

12.3 The directors may appoint a Chief Executive to carry on the day to day management of the business of the Company for such term at such remuneration and upon such conditions as the directors may think fit. The Chief Executive so appointed shall not be a director and may be removed by the directors in their absolute discretion. Any such Chief Executive shall be entitled to attend and speak at meetings of the directors (other than any meeting at which the removal of the Chief Executive, or the term, remuneration and conditions of the Chief Executive's appointment are considered or discussed) but shall not be entitled to vote or count towards the quorum at such meeting.

13. **DELEGATION OF DIRECTORS' POWERS**

13.1 The directors may delegate any of their powers to any committee consisting of two or more directors and such other persons (if any) not being directors co-opted on to such committee as the directors think fit. Any such delegation may be made subject to any conditions the directors may impose and may be collateral to their own powers and may be revoked or altered. Subject to any such conditions the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

13.2 If the chair of any such committee is not a director, he shall (unless the directors decide otherwise) be entitled to attend and speak at meetings of the directors at which the business of such committee is to be discussed but shall not be entitled to vote or count towards the quorum at such meeting.

14. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

14.1 Each of the following shall, if and so long as it is a member of the Company, be entitled at any time, and from time to time, to appoint one individual as a director and to remove from office any such appointee: Advantage West Midlands, Meggitt Plc, East Midlands Development Agency, Goodrich Control Systems Limited and Rolls-Royce plc. Any such appointment or removal shall be made by notice in writing to the Company signed by a duly authorised officer on its behalf and shall take effect upon lodgement of such notice at the office. The directors at the date of adoption of these Articles, namely Messrs Buckley, Johnson, Newell, Leather and Derges, shall for these purposes be treated as having been appointed by Advantage West Midlands, Meggitt Plc, East Midlands Development Agency, Goodrich Control Systems Limited and Rolls-Royce plc respectively. Provided that, in the event that any of such members ceases to be a member, or is acquired (or its holding company is acquired) by another of such members (or its holding company), its right of appointment shall cease and any director appointed by it shall automatically vacate office.

14.2 Six directors shall be elected or appointed in accordance with the following provisions:

14.2.1 In this **Article 14.2**, references to a "director" or "directors" are to an individual or individuals elected or appointed in accordance with this **Article 14.2**; but references to "the board" are to all of the directors of the Company.

- 14.2.2 Elections of the directors will be by members of the Company other than (i) those named in **Article 14.1** and (ii) any other person which is at the time of the election a member of the same group as any of the members named in **Article 14.1**, and none of the foregoing shall (notwithstanding any other provision of these Articles) be entitled to vote or in any other way participate in such election.
- 14.2.3 A director must be an individual nominated by a member of the Company and must be (i) an officer or employee of such member, (ii) in the case of a member which is a firm or unincorporated association, a member or employee thereof or (iii) otherwise currently connected with a member in a manner approved (at its discretion) by the board. If any person so nominated ceases to be so connected with the member which nominated him, whether before or after his election or appointment as a director, or if such member ceases to be a member, then such person shall cease to be eligible for election or appointment or (as the case may be) shall forthwith cease to be a director.
- 14.2.4 At the annual general meeting of the Company held in 2005, six directors will be elected.
- 14.2.5 If at any time after the annual general meeting held in 2005 the number of directors is or falls below six, the remaining directors may appoint an individual who is willing to act (and who is nominated in accordance with **Article 14.2.3**) to be a director to fill the vacancy. A director so appointed shall hold office only until the next following annual general meeting, but shall then be eligible for election.
- 14.2.6 At every annual general meeting held after 2005, at least three directors shall retire from office. The directors so to retire shall be (i) those whose appointments terminate in accordance with **Article 14.2.5**, (ii) any director who was not elected at the previous year's annual general meeting and (iii) if the numbers retiring in accordance with the foregoing paragraphs (i) and (ii) total less than three, such number of other directors as will bring the total to three. The directors to retire pursuant to the foregoing paragraph (iii) will be those who have been longest in office since their last election, but as between persons who became or were last elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- 14.2.7 No person other than a director retiring at that meeting shall be elected a director at any general meeting unless (i) he is recommended by the directors or (ii) not less than six weeks before the date appointed for the meeting, notice signed by a member has been given to the Company of the intention to propose that person for election stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors together with notice signed by that person of his willingness to be elected.
- 14.2.8 Each person standing for election as a director shall be entitled to provide the Company, not later than four weeks before the date appointed for the meeting, with an election address of not more than 500 words which shall (provided it is not in the opinion of the directors vexatious, frivolous, defamatory or liable to bring the Company into disrepute) be circulated by the Company with (or as soon as practical after) the notice of meeting.
- 14.2.9 If on the election of directors there are more candidates than vacancies to be filled by the election, each member entitled to vote will have one vote in respect of every vacancy but cannot be required to cast all or any of his votes. If there are not more candidates than vacancies to be filled by the election (i) each member entitled to vote shall have one vote in respect of any candidate, but cannot be required to cast all or any of his votes, (ii) each vote shall be capable of being cast either for or against the candidate concerned and (iii) the candidate shall be elected if, and only if, more votes are cast for him than against him.
- 14.2.10 The board may in its absolute discretion from time to time decide on additional criteria and/or rules relating to the election or appointment of directors, designed better to achieve broad or broader representation of the interests of different categories of members (as determined by the board). In that event, the board will notify members of such criteria and/or rules and the resulting additions or modifications to the procedures for electing or appointing directors.
- 14.3 The directors may appoint additional individuals (not necessarily representing members) as directors, provided that the number of such directors shall not at any time exceed four. Each such appointment shall be for such period, not exceeding two years, as the directors determine (but subject to **Article 15.6**); at the expiration of such period it may be renewed.

15. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

The office of a director shall be vacated if:

- 15.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or
- 15.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 15.3 he is, or may be, suffering from mental disorder and either:
 - 15.3.1 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
 - 15.3.2 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
- 15.4 he resigns his office by notice to the Company; or
- 15.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
- 15.6 being a director co-opted pursuant to **Article 14.3**, he is removed by resolution of the directors.

16. **DIRECTORS' EXPENSES**

No director shall be entitled to reimbursement of any out-of-pocket expenses save to such extent (if any) as the directors from time to time determine.

17. **PROCEEDINGS OF THE DIRECTORS**

- 17.1 Subject to the provisions of these Articles, the directors may regulate their meetings, as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair shall have a second or casting vote. Notice of every meeting of the directors shall be given to each director,

including directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service.

- 17.2 Any director may participate in a meeting of the directors or a committee constituted pursuant to **Article 13** of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 17.3 The quorum for the transaction of the business of the directors shall be three.
- 17.4 The directors may appoint one of their number to be the chair of the board of directors and may remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of the directors at which he is present. But, if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chair of the meeting.
- 17.5 All acts done by any meeting of the directors or of a committee constituted pursuant to **Article 13**, 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 director or person acting as aforesaid, or that they or any of them were disqualified from holding office or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 17.6 A resolution in writing, signed by all the persons entitled to receive notice of a meeting of directors or of a committee constituted pursuant to **Article 13** shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) such a committee duly convened and held and may consist of several documents in the like form each signed by one or more directors or members of the committee (as the case may be).

18. **SECRETARY**

18.1 Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them; provided always that no director may hold office as secretary where such office is remunerated.

18.2 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

19. **PATRONS**

The directors may from time to time appoint any person to be a Patron of the Company, on such basis as the directors determine, and terminate any such appointment; but a Patron shall not as such be a director of the Company.

20. **REGISTERS AND MINUTES**

The directors shall cause registers and minutes to be made in books kept for the purposes:

- 20.1 of recording the names and addresses of all members and their nominated representatives; and
- 20.2 of all appointments of officers made by the directors; and
- 20.3 of all proceedings at meetings of the Company and of the directors and of committees constituted pursuant to **Article 13** including the names of directors and members (as appropriate) present at each such meeting.

21. **THE SEAL**

If the Company has a seal it shall only be used with the authority of the directors or of a committee constituted pursuant to **Article 13** which is comprised entirely of directors. The directors may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director.

22. **ACCOUNTS**

No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

23. **SERVICE OF NOTICES AND DOCUMENTS**

23.1 Any notice or document may be served on, or delivered to, any member by the Company (i) personally, or (ii) by post addressed to the member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices or documents, or (iii) (subject to **Article 23.2**) by electronic communication.

If a notice or other document is sent by post, it shall be deemed to be served or delivered 24 hours after posting as first class post or 48 hours after posting as second-class post. In proving service or delivery it shall be sufficient to prove that the cover containing the notice or document was properly addressed, stamped and posted.

Any notice or document sent by electronic communication shall be deemed to be served 48 hours after the time it was sent. Proof that a notice or other document sent by electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that notice was given.

23.2 Where these Articles require the Company to send, circulate or despatch notices or documents to its members, the Company shall be deemed to have complied with that requirement in relation to any member if either:

23.2.1 The Company and the member have agreed to use electronic communication to send such notices or documents; the notices or documents are notices or documents to which the agreement applies; and copies of the notices or documents are sent by electronic communication to the address, number or other location notified by the member to the Company for that purpose; or

23.2.2 the Company and the member have agreed to the member having access to notices or documents on a website, and (i) the notices or documents are notices or documents to which the agreement applies; and (ii) the member is

notified of the publication of the notices or documents on the website, the address of the website, the place on the website where the notices or documents can be accessed and how they can be accessed, and the period of time for which the notices or documents will be available on the website. Such period of time must not be less than 21 days from the date of notification or, if later, until the conclusion of any general meeting to which the notices or documents relate; provided that, if the notices or documents are published on the website for a part only of such period of time, they will be treated as being published throughout the period if the failure to publish throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

- 23.3 Where the Company sends notices or documents to shareholders by electronic communication in accordance with **Article 23.2** it must also make the notices or documents available to members in printed form and free of charge on request during normal business hours for a period of not less than 21 days from the date of communication or notification or, if later, until the conclusion of any general meeting to which the notices or documents relate.

24. **WINDING UP**

Clause 7 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

25. **INDEMNITY**

- 25.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- 25.2 The directors shall have power to purchase and maintain at the expense of the Company for the benefit of any director, officer or auditor of the Company insurance against any such liability as is referred in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him for loss or


expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, officer or auditor.

26. **RULES OR BYE-LAWS**


26.1 The directors may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company provided, nevertheless, that no rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum of Association of the Company or these Articles.


26.2 The Company shall have power to alter or repeal the rules or bye-laws referred to in **Article 26.1** and to make additions thereto. The directors shall adopt such means as they deem sufficient to bring to the notice of members all such rules or bye-laws made pursuant to this **Article 26** which, so long as they shall be in force, shall be binding on all members.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

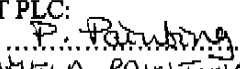

 Duly authorised for and on behalf of
 ADVANTAGE WEST MIDLANDS
 3 Priestley Wharf, Holt Street
 Aston Science Park
 Birmingham B7 4BN
 Regional Development Agency

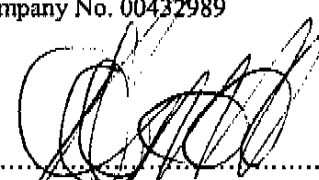
Witness to the signature on behalf of ADVANTAGE
 WEST MIDLANDS:

Signature: 
 Name: ALAN S. CROPPER
 Address: 17, PRIESTLEY WHARF
 BIRMINGHAM B7 4BN
 Occupation: AREA MANAGER



 Duly authorised for and on behalf of
 MEGGITT PLC
 Farns House, Cowgrove,
 Wimborne, Dorset BH21 4EL
 Company No. 00432989

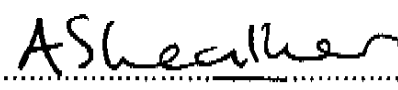
Witness to the signature on behalf of
 MEGGITT PLC:

Signature: 
 Name: P. Paine
 Address: 51, CROFTON AVENUE
 BOURNEMOUTH, BH2 9LP, DORSET
 Occupation:

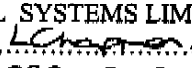

 Duly authorised for and on behalf of
 EAST MIDLANDS DEVELOPMENT AGENCY
 Apex Court, City Link
 Nottingham NG2 4LA
 Regional Development Agency

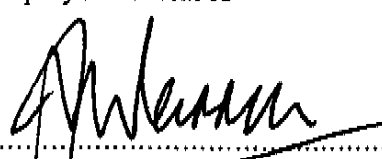
Witness to the signature on behalf of EAST
 MIDLANDS DEVELOPMENT AGENCY:

Signature: 
 Name: MARTIN BRIGGS
 Address: 40, EMMA, ALEX COURT,
 CITY LINK, NOTTINGHAM, NG2 4LA
 Occupation: CHIEF EXECUTIVE



 Duly authorised for and on behalf of
 GOODRICH CONTROL SYSTEMS LIMITED
 Shaftmoore Lane, Hall Green
 Birmingham, B28 8SW
 Company No. 04482312

Witness to the signature on behalf of GOODRICH
 CONTROL SYSTEMS LIMITED:

Signature: 
 Name: LORRAINE CHAPMAN
 Address: 15 BUTLER RD,
 SOLHULL, WEST MIDLANDS
 Occupation: ADMIN ASSISTANT


 Duly authorised for and on behalf of
 ROLLS-ROYCE PLC
 PO Box 31
 Moor Lane
 Derby
 Derbyshire DE24 8BJ
 Company No. 01003142

Witness to the signature on behalf of ROLLS-ROYCE
 PLC:

Signature: 
 Name: KAREN AGNEW
 Address: 4, THE GROVE
 CARLTON, NOTTINGHAM
 Occupation: CLERICAL SECRETARY

Dated: 21 January 2005