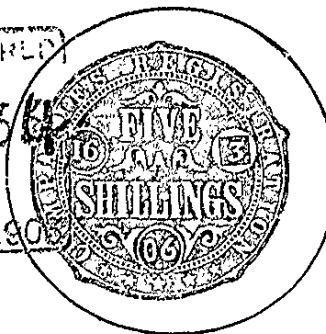
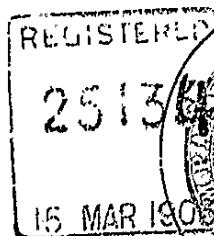


rtificate No. _____

Price Twopence.

Form No. 50.

COMPANIES' ACTS, 1862 TO 1900.



A
Companies'
Fee Stamp
of 5s.
should be
impressed
here.

COMPANY LIMITED BY SHARES.

Application for a Certificate of Incorporation to be filed by a Company which does not
ny invitation to the public to subscribe for its Shares. (Sect. 2 (3) of the Companies'
1900.)

Name of proposed Company—

ROLLS-ROYCE

Limited.

ted for filing by—

Clarendon & Maynes

4, Bloomsbury Square,



COMPANY LIMITED BY SHARES.

Application by the Subscribers to the Memorandum of Association of

ROLLS-ROYCE LIMITED

Company Limited,

being a Company such as is specified in section 2 (3) of the Companies' Act, 1900, and which does not issue any invitation to the public to subscribe for its Shares, for a Certificate of Incorporation as a Limited Company under the Companies' Acts, 1862 to 1900.

We, the several persons whose names are subscribed, hereby declare that the

ROLLS-ROYCE

Company Limited,

whose Memorandum of Association is delivered herewith, does not issue any invitation to the public to subscribe for its Shares.

NAMES, ADDRESSES, AND DESCRIPTIONS OF SUBSCRIBERS

W. Lodge, Rutland Gate, London, S.W. Dealer in motor cars.

Bone Cottage Leigh Rd. Knutsford Engineers
on 120 N James Court, Rushington Rd. London, S.W. Manager of motor business

Agreement Thistle Nest House Old Trafford Manchester

R. D. Hulley, Albert Rd. Liverpool. Manchester. Engineer.

A. W. Beaumont 16 Bloomsbury Square London Solicitor

Chas. P. Johnson, 9, New Square Lincoln's Inn. Solicitor.

Frederic S. Payson-Barber 9 New Square Lincoln's Inn Solicitor
London

Dated this 15th day of March 1906

Witness to the above Signatures— of *F. H. Royce & A. Beaumont R. D. Hulley*

Witness to the above Signatures of
Charles Stewart Rolles Charles Plumpton
Johnson & Cecil Stuart Payson-Barber
Henry St. Hill.

9 New Square Lincoln's Inn
Charles Stewart Rolles Charles Plumpton

John Deane Mayfield
Parsonage Road New Model

Manchester Chartered Secretary

DAMAGED DOCUMENT

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This margin to be reserved for binding.

Witness to the above Signatures of
L. Johnson and A. W. Claremont

E. H. Church

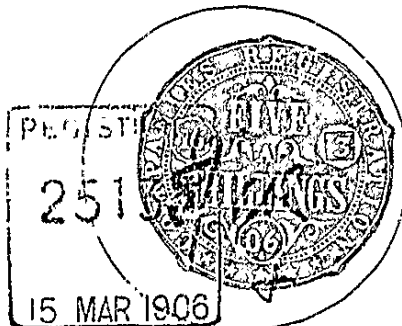
Admitted Miss Claremont ^{Son} Stuyves
at Bloomsbury Square 182

No. of
Certificate

(Price Twopence.)

Form No. 41.

"COMPANIES' ACTS, 1862 to 1900."



A 5/-
Companies'
Registration
Fee Stamp
to be
impressed
hereo.

Handwritten signature

DECLARATION of Compliance with the requisitions of the Companies'

Acts, made pursuant to S. 1 (2) of the Companies' Act, 1900 (63 and 64

Vict. Ch. 48) on behalf of a Company proposed to be registered as ~~the~~

ROLLS-ROYCE LIMITED

Presented for Filing

by Claremont & Haynes,

4, Bloomsbury Square, W.C.

I Albert William Claremont



4, Bloomsbury Square in the County of London Solicitor

(a) Here insert:
"A Solicitor of the
"High Court engaged
"in the formation."

or
"A director' or
"Secretary named in
"the Articles of
"Association."

Do solemnly and sincerely declare that I am ^(a) a Solicitor of the

High Court engaged in the formation

of ~~the~~ ROLLS-ROYCE

Limited, and That all the requisitions of the Companies' Acts in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with. And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of the "Statutory Declarations Act, 1835."

Declared at 20 Southampton Street,
High Holborn in the County
of London
the 15th day of March
one thousand nine hundred and six before
me,

Nicholas Harbord

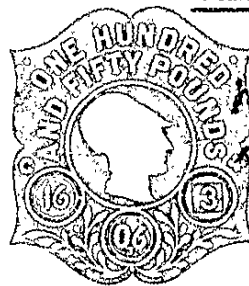
A Commissioner for Oaths.

A. W. Claremont

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

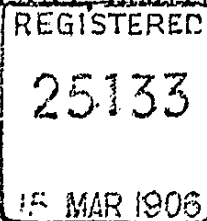
No. of Certificate

Form No. 25.



Tolls - Torrey

COMPANY LIMITED.



STATEMENT of the Nominal Capital made pursuant to s. 112 of 54 and 55

Act, ch. 39, Stamp Act, 1891, as amended by s. 7 of 62 and 63 Vict., ch. 9 (Finance Act,

1899). (NOTE.—The Stamp Duty on the Nominal Capital is Five Shillings for every £100

or fraction of £100.)

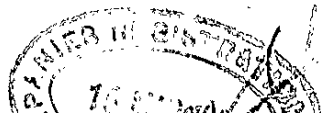
This statement is to be filed with the Memorandum of Association, or other Document,

when the Company is registered.

Presented for registration by

Edmund Haynes

4 Bloomsbury Square W.C.



The NOMINAL CAPITAL of the

Tolls - Royce

Company, Limited,

is £ *60,000* divided into *60,000* shares of £ *1.00.0*

each.

Signature

John DeLooye

Description

Secretary

Date

15th March 1906



THE COMPANIES ACTS, 1862 to 1900.

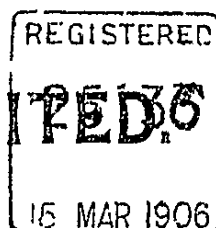
COMPANY LIMITED BY SHARES



Memorandum of Association

OF

ROLLS-ROYCE, LIMITED



1. The name of the Company is Rolls-Royce, Limited.
2. The registered office of the Company will be situate in England.

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

- (1) To manufacture, sell, or let on hire, or in any manner dispose of or turn to account, motor vehicles for use on land or water or in the air, and any parts of or accessories to the same, and internal combustion engines for stationary use, and to carry on all or any businesses directly or indirectly relating to or connected with any object or thing which the Company is authorized to manufacture.
- (2) To purchase or otherwise acquire from Royce, Limited, their factory at Cooke Street, Hulme, Manchester, with the machinery, plant, and stock-in-trade therein, and the goodwill of their business of motor car and motor chassis manufacturers, together with book debts and other assets as a going concern, and to that end to enter into the Contract, draft of which is already prepared and is referred to in the Articles of Association of the Company, with such modifications (if any) as may be thought desirable.
- (3) To manufacture all or any machinery, tools or things for the purpose, directly or indirectly, of the manufacturing of any vehicles or other objects which the Company is authorized to manufacture.

(3287)

A



- (4) To buy or otherwise acquire, sell, let, trade with, or otherwise deal in, or with all or any motor vehicles, machinery, tools and things as aforesaid.
- (5) To carry on any other business, whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any of the above objects, or calculated, directly or indirectly, to advance any of the above objects, or add to the value of any of the Company's property or rights.
- (6) To purchase, sell, take, or let on lease, or otherwise acquire or dispose of any land or buildings or personal property, or rights or privileges, for the purpose of the Company, or of advancing the Company's interest.
- (7) To build, erect, or instal any building, machinery, plant, or things for the better carrying on of the Company's business.
- (8) To purchase, acquire, or apply for letters patent, or patent rights, which the Company may deem it advisable to hold in connection with its business, and to sell or otherwise deal with such patents, or patent rights, and grant licenses in respect thereof.
- (9) To purchase, take over, or otherwise acquire, or carry on the whole or any part of the business and business property or liabilities of any person or company carrying on business, which this Company is authorized to carry on.
- (10) To enter into partnership or any other arrangement or combination with any other person or Company carrying on, or about to carry on, any business or concern which the Company is authorized to carry on, or which can be carried on so as to directly or indirectly benefit the Company, and to take, subscribe for, or otherwise acquire, and hold shares, stocks, or securities in any such Company, and to sell or otherwise deal with any such shares, stocks, or securities.
- (11) To establish and support associations or institutions for the benefit of employees or ex-employees or their dependants, and to grant pensions and allowances, and to

3

subscribe to any institutions, associations, clubs, trade societies, or exhibitions calculated directly or indirectly to conduce to the interests of the Company, or of its business, or of any practice or pursuit upon which the said business directly or indirectly depends, or with which it is concerned.

- (12) To sell the undertaking of the Company, or any part thereof, for cash shares, debentures, debenture stock, or other security of any other Company, having objects the same as or similar to the objects of this Company.
 - (13) To sell the undertaking of the Company, or any part thereof, for such consideration as the Company may think fit.
 - (14) To promote any company or companies for the purpose of acquiring or taking over from this Company all or any of the property or liabilities of this Company, or otherwise directly or indirectly benefiting this Company.
 - (15) To remunerate any person subscribing or agreeing, absolutely or conditionally, to subscribe or procure subscribers for any shares, debentures, or debenture stock of any company promoted by this Company, or any company which this Company shall be or shall expect to be interested in or affected by.
 - (16) To invest moneys of the Company not immediately required in such securities as the Company may think fit.
 - (17) To lend money to persons and on terms as may seem expedient, and in particular to customers and persons having dealings with the Company, and to give any guarantee or indemnity which may be or may be thought to be desirable.
 - (18) To raise or borrow or secure payment of money in such manner and on such terms as may seem expedient, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged on the whole or any part of the Company's assets, present and future, including its
- (3287)

uncalled capital, and to redeem, purchase, and pay up any such securities.

- (19) To draw, accept, endorse, discount, and otherwise deal with promissory notes, bills of exchange, and other negotiable instruments or securities.
- (20) To remunerate (subject always so far as necessary to compliance with the Companies Acts and the Company's Articles of Association) any persons for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital, or any debentures or debenture stock or other securities of the Company, or in or about the formation or promotion of the Company.
- (21) To do all or any of the above things as agents or trustees, or by or through agents or trustees.
- (22) To divide any of the profits of the Company in specie among the members.
- (23) To do all such other things as are incidental to the attainment of the above objects.

The objects specified in the several paragraphs of this clause shall (except where otherwise expressed in such paragraphs) not be restricted by reference to, or by inference from the terms of any other paragraph or the name of the Company.

4. The liability of the members is limited.

5. The capital of the Company is £60,000, divided into 60,000 shares of £1 each. All or any of the shares in the original, or any increased capital of the Company, may be issued with such preference or priority, or with such deferred rights, whether in respect of dividend or capital, and with such special rights or without any right of voting, and generally on such terms and conditions as may from time to time be determined by or in accordance with the Company's Articles of Association for the time being.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association, and we respectively agree to

take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses, and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
✓ <u>Charles Rolls</u> South Lodge, Rutland Gate London. S.W. Dealers in motor cars.	one preference share.
✓ <u>F. H. Royce</u> Bone Cottage Leigh Road Knutsford. Engineer	one preference share
✓ <u>Ed. Johnson</u> 120 St James Court, Buckingham St. St. London, S.W. Manager of a motor business	one preference share.
✓ <u>E. A. Claremont</u> The Old Rectory House Old Trafford Manchester Engineer	one preference share
✓ <u>R. D. Hulley</u> . Albert Road. Levenshulme. Manchester Engineer.	one preference share.
✓ <u>A. W. Claremont</u> 4 Bloomsbury Square London W.C. 1	one preference share
✓ <u>Chas. P. Johnson</u> 9 New Square Lincoln Inn W.C. Solicitor	one preference share.
✓ <u>Cecil S. Raymond Barker</u> 9 New Square Lincoln Inn W.C. Solicitor	One Preference Share.

Dated this 15th day of March 1906.
Witness to the signatures of F. H. Royce, E. A. Claremont, and
R. D. Hulley. John DeGeorge Mayfield Parkfield Road New Moson
Manchester Chartered Secretary

Witness to the signatures of Charles Stewart Rolls, Charles Plumpton
Johnson and Cecil Stuart Raymond Barker. Henry J. Dix, 9 New Square
Lincoln's Inn, Clerk to Messrs Johnsons & Co. Solicitors
W.C.

Witness to the signatures of E. Johnson and A. W. Claremont
Ed. H. Churcher, Clerk to Messrs Claremont & Haynes, 50
4 Bloomsbury Square W.C.

107/6



THE COMPANIES ACTS, 1862 to 1900.

COMPANY LIMITED BY SHARES.

Articles of Association

OF

ROLLS-ROYCE, LIMITED.

REGISTERED
25133^a
15 MAR 1906

PRELIMINARY.

1. The marginal notes hereto shall not affect the construction Definitions. hereof, and in these presents, unless there be something in the subject or context inconsistent therewith—

“The office” means the registered office for the time being of the Company;

“The Register” means the register of members to be kept pursuant to Section 25 of the Companies’ Act, 1862;

“Month” means calendar month;

“In writing” or “written” include printing, lithography, and other modes of representing or reproducing words in a visible form;

“The Directors” means the Directors for the time being;

“Dividend” includes bonus;

“Special Resolution” and “Extraordinary Resolution” have the meanings assigned thereto respectively by the Companies Act, 1862, Sections 51 and 129;

Words importing the singular only includes the plural number, and *vice versa*.

Words importing the masculine gender only include the feminine gender;

Words importing persons include corporations.

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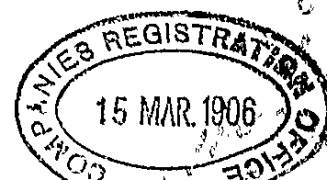


Table A
excluded.

2. The regulations contained in Table A in the First Schedule to the Companies Act 1862 shall not apply to the Company.

Agreement
with Royce,
Limited, to
be executed.

3. The Company shall forthwith enter into an agreement with Royce, Limited, and an agreement with Rolls-Royce Distributing, Limited, and an agreement with Mr. F. H. Royce, in the terms of the drafts, which for the purpose of identification have been signed by Albert William Claremont, a Solicitor of the Supreme Court, and the Directors shall carry the said Agreements into effect with full power, nevertheless, from time to time, to agree to any modification of the terms thereof, either before or after the execution thereof. The basis on which the Company is established is that the Company shall acquire the property comprised in the first-mentioned Agreement on the terms therein set forth, subject to such modifications if any as aforesaid, and shall agree to sell its output on the terms set out in the secondly mentioned Agreement, and shall employ the said F. H. Royce on the terms set out in the thirdly mentioned Agreement, and that the first Directors, who are all either Directors of the Vendor Company on the one hand or interested in the sale of the output on the other hand, shall be the Directors of this Company, and accordingly it shall be no objection to the said Agreements that the Vendor Company or the persons aforesaid or some or any of them as Promoters or Directors stand in a fiduciary position towards the Company, or that such persons do not in the circumstances constitute an independent Board, and every member of the Company present and future is to be deemed to join the Company on this basis.

Company
not to
purchase its
own shares.
Shares
under
control of
Directors.

4. None of the funds of the Company shall be applied in the purchase of or in lending on shares of the Company.

5. The shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, and on such terms and conditions, and either at a premium or not, and at such times as the Directors think fit. Provided however that all shares other than those subscribed for by the Memorandum of Association or issued under the Agreement for sale hereinbefore referred to shall be offered in the first instance as to one moiety to the holders for the time being of the Ordinary Shares *pro rata*, and as to one moiety to the holders for the time being of the Deferred Shares *pro rata*.

Instal-
ments.

6. If by the conditions of the allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall when due be paid to the Company by the person who for the time being, and from time to time, shall be the registered holder of the share or his legal personal representatives.

7. The Directors shall, as regards all allotments of shares, duly comply with Section 7 of the Companies Act 1900.

Compliance with Section 7 Companies Act, 1900.

8. If the Company shall offer any of its shares to the public for subscription:—

Minimum subscription on public issue.

(A) The Directors shall not make any allotment thereof unless and until at least 10 per cent. of the shares so offered shall have been subscribed, and the sums payable on application shall have been paid to and received by the Company; but this provision is no longer to apply after the first allotment of shares offered to the public for subscription has been made;

(B) The amount payable on application on each share so offered shall not be less than 5 per cent. of the nominal amount of the share.

9. If the Company at any time offers any of its shares to the public for subscription the Directors may exercise the powers conferred on the Company by Section 8 of the Companies Act, 1900, but so that the commission shall not exceed 25 per cent. on the shares in each case offered.

Under-writing commission.

10. The Company is to keep at the office a Register containing the names, addresses, and occupations of its Directors and Managers, and is to send to the Registrar of Joint Stock Companies a copy of such Register, and is from time to time to notify to such Registrar any change that takes place in such Directors and Managers.

Register of Directors.

11. The Company is to comply with Section 26 of the Companies Act, 1862, as amended by Section 19 of the Companies Act, 1900, as to making at least once a year a list and summary as to capital shares members' mortgages and otherwise, and forwarding a copy thereof to the Registrar of Joint Stock Companies, and otherwise comply with such sections.

Filing returns.

12. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

Variation in terms of calls.

13. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.

Joint holding of shares.

14. The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

Equitable rights in shares not recognized by Company.

CERTIFICATES.

Share
certificates
to be
issued.

15. The certificates of title to shares shall be issued under the seal of the Company and signed by two Directors and countersigned by the Secretary or some other person appointed by the Directors.

16. Every member shall be entitled to one certificate for the shares registered in his name or with the consent or at the option of the Company to several certificates, each for a part of such shares. Every certificate of shares shall specify the denoting numbers of the shares in respect of which it is issued and the amount paid up thereon.

Replacing
lost
certificate.

17. If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof, and, if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

Charge for
same.

18. The sum of one shilling or such smaller sum as the Directors may determine shall be paid to the Company for every certificate issued under the last preceding clause.

CALLS.

Calls to be
made by
Directors.

19. The Directors may from time to time make such calls as they may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

Date of
call.

20. A call shall be deemed to have been made when the resolution of the Directors authorizing such call was passed.

21. No call shall exceed one-fifth of the nominal amount of the share, or be made payable within two months after the last preceding call was payable.

22. Twenty-one days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. Before the time for payment, the Directors may, by notice in writing to the members, revoke the call or extend the time for payment. Notice of call.

23. If any money payable in respect of any call be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, shall pay interest thereon at the rate of £10 per cent. per annum from the day appointed for payment thereof to the time of the actual payment or at such other rate as the Directors may determine, unless the Directors shall waive the same. Interest on calls in arrears.

24. The Directors may, if they think fit, receive from any member willing to advance the same and either in money or money's worth all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon. Call in advance

FORFEITURE AND LIEN.

25. If any member fail to pay any money in respect of a call on or before the day appointed for the payment of the same, the Directors may at any time thereafter and at such time as the same remains unpaid serve a notice on such member requiring him to pay the same together with any interest and expenses that may have been incurred by the Company by reason of such non-payment. Notice to defaulter.

26. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such money with interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment, at or before the time and at the place appointed, the shares in respect of which the call was made will be liable to be forfeited. Contents of notice.

27. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter before payment of all moneys with Forfeiture on non-compliance.

interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.

Shares
forfeited
to be
property of
Company.

28. Any shares so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit.

Forfeiture
may be
annulled.

29. The Directors may at any time before any shares so forfeited shall have been sold, re-allotted, or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Liability of
shareholder
after
forfeiture.

30. Any member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all such moneys, with interest and expenses aforesaid, owing at the time of forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of £10 per cent. per annum, and the directors shall enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do.

Company
to have a
lien on
shares
partly paid.

31. The Company shall have a first and paramount lien upon all the shares (not being fully paid up shares) registered in the name of each member (whether solely or jointly with others) for his debts, liabilities, and engagements, solely or jointly with any other person to or with the Company, whether the period for the payment, fulfilment, or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Clause 14 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, upon such shares.

Enforcing
lien.

32. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, and default shall have been made by him or them in the payment, fulfilment, or discharge of such debts, liabilities, or engagements for seven days after such notice.

Application
of proceeds.

33. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities, or engagements, and the

residue, if any, paid to such member, his executors, administrators, or assigns.

34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may cause the purchaser's name to be entered in the Register in the respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company, exclusively. Protection of purchaser.

TRANSFER AND TRANSMISSION OF SHARES.

35. The instrument of transfer of any share shall be signed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof. Execution of transfer.

36. The instrument of transfer of any share shall be in writing in the usual common form, or in the following form or as near thereto as circumstances will admit:— Form of transfer.

"I of in
consideration of the sum of £ paid to me by
of
(hereinafter called the transferee) do hereby transfer to the
transferee shares numbered in the
undertaking called Rolls-Royce, Limited, to hold unto
the transferee, his executors, administrators, and assigns,
subject to the several conditions on which I held the
same immediately before the execution hereof, and I,
the transferee, do hereby agree to take the said shares
subject to the conditions aforesaid.

"As witness our hands the day of 19

"Witness to the signature, &c."

37. The Directors may decline to register any transfer of shares upon which the Company has a lien, and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. Transfer of shares on which Company has a lien may be refused.

Transfer
form to be
left with
Company,

38. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the shares to be transferred, and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

and shall
be retained
by Com-
pany.

39. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall, on demand, be returned to the person depositing the same.

Fee on
transfer.

40. A fee not exceeding 2s. 6d. may be charged for each transfer, and shall, if required by the Directors, be paid before the registration thereof.

Closing
transfer
books.

41. The Transfer Books and Register of members may be closed during such time as the directors think fit, not exceeding in the whole 30 days in each year.

Only legal
personal
representa-
tives of
deceased
shareholder
to be
recognized

42. The executors or administrators of a deceased member (not being one of several joint holders) shall be the only person recognized by the Company as having any title to the shares registered in the name of such member, and, in the case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only persons recognized by the Company as having any title to, or interest in, such shares.

Devolution
of title to
shares.

43. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title as the Directors think sufficient may, with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares or may subject to the regulations as to transfers hereinafter contained, transfer such shares. This clause is hereinafter referred to as "the Transmission Clause."

CONVERSION OF SHARES INTO STOCK.

Conversion
of shares
into stock.

44. The Company in General Meeting may convert any paid up shares into stock, and may re-convert any stock into paid up shares of any denomination.

Transfer
of stock.

45. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interests in the same

manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a pound shall not be dealt with, with power, nevertheless, at their discretion to waive such rules in any particular case.

46. The stock shall confer on the holders thereof respectively the same privileges and advantages as regards participation in profits and voting at meetings of the Company, and for other purposes as would have been conferred by shares of equal amount in the capital of the Company, but so that none of such privileges or advantages, except the participation in profits of the Company, shall be conferred by any such aliquot part of consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. And save as aforesaid all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. No such conversion shall affect or prejudice any preference or other special privilege.

Privileges
of stock
holders.

47. Any ordinary stock may by special resolution be subdivided into preferred and deferred sections, and any preferential or other rights may be attached to one section as against the deferred section.

Subdivision
of ordinary
stock.

INCREASE AND REDUCTION OF CAPITAL.

48. The Company in General Meeting may by special resolution from time to time increase the capital by the creation of new shares of such amount as may be deemed expedient.

Increase of
capital.

49. The new shares shall subject to the next and following clause hereof be issued upon such terms and conditions, and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given as the Directors shall determine, and in particular such shares may, subject to the next following clause hereof be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a special or without any right of voting.

Condition of
issue of
increase.

50. The Company in General Meeting may before the issue of any new shares determine that the same or any of them shall be

Company
may offer
new capital

to existing
share-
holders

offered in the first instance to all the then members, in proportion to the amount of the capital held by them or make any other provisions as to the issue and allotment of the new shares, but in default of any such determination, or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the shares in the original capital.

New
capital to be
deemed part
of original
capital.

51. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission forfeiture, lien, surrender, or otherwise.

Company
may reduce
capital.

52. The Company may from time to time (subject to the approval of the High Court of Justice, if and so far as the same may be necessary) by special resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or reducing the liability on the shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise, and the Company may also by special resolution subdivide, or by ordinary resolution consolidate its shares or any of them.

53. The special resolution whereby any share is subdivided may determine that one or more of such shares shall have some preference or special advantage as to dividend capital voting, or otherwise over or as compared with other shares.

MODIFYING RIGHTS.

Rights can
be modified
by extra-
ordinary
resolution
of class.

54. All or any of the rights and privileges attached to any class of shares may be modified by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is (a) ratified in writing by the holders of at least three-fourths of the nominal amount of the issued shares of that class, or is (b) confirmed by an extraordinary resolution passed at a separate General Meeting of the holders of shares of that class. All the provisions hereinafter contained as to General Meeting shall *mutatis mutandis* apply to every such meeting except that the quorum thereof shall be members holding or representing by proxy one-half of the nominal amount of the issued shares of that class. This clause is not by implication to curtail the power of modification which the Company would have if the clause were omitted.

BORROWING POWERS.

55. The Directors may from time to time at their discretion, raise, borrow, or secure the payment of any sum or sums of money for the purposes of the Company, but so that the amount at any one time owing in respect of moneys so raised, borrowed, or secured, shall not without the sanction of an extraordinary resolution of the Company, exceed the nominal amount of the capital for the time being, nevertheless, no lender or other person dealing with the Company, shall be concerned to see or enquire whether this limit is observed.

Limit of
Directors'
power.

56. The Directors may raise or secure the repayment of such moneys in such manner and upon such terms and conditions, in all respects, as they think fit, and in particular by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

Directors
may create
debentures
on mort-
gage.

57. Debentures, debenture stock, or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

Conditions
of deben-
tures.

58. Any debentures, debenture stock, bonds, or other securities may be issued at a discount premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending, voting at General Meetings of the Company, appointment of Directors, and otherwise.

59. The Directors shall cause a proper register to be kept, in accordance with Section 43 of the Companies Act, 1862, of all mortgages and charges specifically affecting the property of the Company, and duly comply with the requirements of Section 14 of the Companies Act, 1900, in regard to the registration of mortgages and charges therein specified, and otherwise. A fee of one shilling, or such smaller fee as the Directors may from time to time prescribe, shall be charged for every inspection under Section 14 aforesaid.

Register to
be kept.

60. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may by instrument under the Company's seal authorize the person in whose favour such mortgage or security is executed, or any other person as trustee for him, to make calls on the members in respect of such uncalled capital, and such authority may be made exercisable either conditionally or unconditionally, and either presently or contingently,

Calls can
be made by
debenture
holder's
trustee.

and either in exclusion of the Directors' powers or otherwise, and the provisions hereinbefore contained as to the calls shall, *mutatis mutandis*, apply to calls made under such authority, and such authority shall be assignable, if expressed so to be.

GENERAL MEETINGS.

Statutory
meeting.

61. The statutory meeting of the Company shall, as required by Section 12 of the Companies Act, 1900, be held within a period of not less than one month, or more than three months from the date at which the Company shall be entitled to commence business and at such time and place as the Directors may determine.

General
Meetings.

62. Subsequent General Meetings shall be held once at least in the year 1906 and in every subsequent year at such time and place as may be prescribed by the Company in General Meeting ; or, if no time or place is so prescribed, at such time and place as may be determined by the Directors.

63 The above-mentioned subsequent General Meetings shall be called "Ordinary Meetings," and all other meetings of the Company shall be called "Extraordinary Meetings."

Extra-
ordinary
Meetings.

64. The Directors may, whenever they think fit, convene an Extraordinary Meeting, and the Directors shall, on the request of the holders of not less than one-tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary Meeting, and the following provisions shall have effect :—

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office, and may consist of several documents in like form each signed by one or more requisitionist ;
- (2) If the Directors do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists, or a majority of them in value, may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit ;
- (3) If at any such meeting a resolution requiring confirmation at another meeting is passed, the Directors shall forthwith convene a further Extraordinary Meeting for the purpose of considering the resolution and, if thought fit, of confirming it as a special resolution, and if the Directors do not

convene a meeting within seven days from the date of the passing of the first resolution, the requisitionists, or a majority of them in value, may themselves convene the meeting;

- (4) Any meeting convened under this clause by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Directors.

65. Seven days' notice to the members, specifying the place, day, and hour of meeting, and in case of special business the general nature of such business shall be given either by advertisement or by notice sent by post, or otherwise served, as hereinafter provided. With the consent in writing of all the members for the time being, a General Meeting may be convened on a shorter notice than seven days, and in any manner they may think fit. Whenever it is intended to pass a special resolution, the two meetings may be convened by one and the same notice, and it shall be no objection that the notice only convened the second meeting contingently on the resolution being passed by the requisite majority at the first meeting. Whenever any meeting is adjourned or postponed for twenty-one days or more, five days' notice shall be sent of every such adjourned or postponed meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at such adjourned or postponed meeting.

Notice of meetings.

Notice of special resolutions.

66. The accidental omission to give any such notice to any of the members shall not invalidate any resolution passed at any such meeting.

Failure to give notice.

PROCEEDINGS AT GENERAL MEETINGS.

67. The business of an ordinary meeting shall be to receive and consider the balance sheet, the reports of the Directors and the auditors to elect Directors and other officers in the place of those retiring by rotation to declare dividends and to transact any other business which under these presents ought to be transacted at an ordinary meeting. All other business transacted at an ordinary meeting, and all business transacted at an Extraordinary Meeting, shall be deemed special.

Ordinary business.

68. Three members present, personally or by proxy, shall be a quorum for a General Meeting for the choice of a chairman, the hearing and considering of the balance sheet, and the reports of Directors and auditors, the election of Directors and auditors, the

Quorum.

declaration of a dividend and the adjournment of a meeting. For all other purposes except for a meeting called pursuant to a requisition of members, the quorum for a General Meeting shall be five members personally present, holding or representing by proxy not less than one-tenth of the nominal amount of the issued capital of the Company. No business shall be transacted at any General Meeting unless the requisite quorum be present at the commencement of the business.

Chairman
of Directors
to take the
chair.

69. The Chairman of the Directors shall be entitled to take the chair at every General Meeting, or if there be no chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, the members present personally or by proxy shall choose another member then present to be chairman.

When no
quorum
present.

70. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present, any two members who are personally present shall be a quorum, and may transact the business for which the meeting was called.

Voting by
show of
hands.

71. Every question submitted to a meeting shall be decided in the first instance by a show of hands.

Demand of
a poll.

72. It shall be lawful for members at any General Meeting, whether present or represented by proxy, to demand that a poll be taken on any resolution submitted to the meeting at any time during the meeting, and either before or after such resolution shall have been so submitted, and whether it shall have been declared carried or lost. If a poll be demanded as aforesaid by at least five members, or by a member or members holding or representing by proxy, or entitled to vote in respect of at least one-tenth part of the capital represented at the meeting, but not otherwise, a poll shall be taken on such resolution.

Taking poll.

73. If a poll is demanded as aforesaid, it shall be taken in such manner, and at such time and place, as the chairman of the meeting directs, and either at once or after an interval of adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Chairman's
declaration
of result of
voting.

74. Subject as aforesaid, a declaration by the chairman that a resolution has been carried, or carried by a particular majority, or

lost or not carried by a particular majority, and that whether such declaration shall be made on a show of hands or on a poll, and an entry to that effect in the Minute Book of the Company shall (in the absence of fraud) be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

75. The chairman shall in no case, whether on a show of hands or at a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member. No casting vote.

76. The Chairman of a General Meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting of which the adjournment took place. Adjournment of meetings.

77. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

78. Any poll duly demanded on the election of a chairman of a meeting, or on any question of adjournment, shall be taken at the meeting without adjournment.

VOTES OF MEMBERS.

79. On a show of hands every member present in person shall have one vote, and at a poll every member present in person or by proxy shall be entitled to one vote for every £1 paid, or credited as paid, on the shares held by him. Provided, however, that so long as either of them, Royce, Limited, or the Hon. C. S. Rolls shall hold not less than 10,000 fully paid shares in the capital of the Company, the other of them shall not, whether directly or through any nominee or trustee exercise, or claim to exercise, any voting power as a shareholder in excess of the voting power for the time being vested in the other of them, notwithstanding any disparity in their respective holdings of shares. No member present, only by proxy, shall be entitled to vote on a show of hands unless such member is a corporation present by a proxy who is not a member of the Company, in which case such proxy may vote on the show of hands as if he were a member of the Company. Voting power.

Voting by
persons
entitled by
transmis-
sion.

80. Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours before the time of holding the meeting at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes
of joint
holders.

81. Where there are joint registered holders of any shares any one of such persons may vote at any meeting, either personally or by proxy in respect of such shares as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any shares stand, shall for the purposes of this clause be deemed joint holders.

Proxy.

82. Votes may be given either personally or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney, or if such appointor is a corporation, under its Common Seal. No person shall be appointed a proxy who is not a member of the Company, save that a corporation being a member of the Company, may appoint as its proxy any officer of such corporation whether a member of the Company or not.

Proxy to
be lodged
with
Company.

83. The instrument appointing a proxy and the power of attorney (if any) under which it is signed shall be deposited at the office not less than forty-eight hours before the time for holding the meeting, at which the person named in such instrument proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except for the purposes of an adjournment of any meeting convened to be held previously to the expiration of such twelve months.

Vote by
proxy valid
notwith-
standing
death of
share-
holder.

84. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the principal, or revocation of the proxy or transfer of the share in respect of which the vote is given, unless an intimation in writing of the death, revocation, or transfer shall have been received at the office before the meeting.

85. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit be in the form or to the effect following:—

ROLLS-ROYCE, LIMITED.

"I, _____ of _____ being in the county of _____ a member of Rolls-Royce, Limited, hereby appoint _____ of _____ or failing him _____ of _____ or failing him _____ of _____ as my proxy to vote for me and on my behalf at the (Ordinary or Extraordinary as the case may be) General Meeting of the Company to be held on the _____ day of _____, and at any adjournment thereof, and if thought advisable to demand a poll.

"As witness my hand this _____ day of _____."

86. No member shall be entitled to be present or to vote on any question either personally or by proxy, or as proxy for another member at any General Meeting, or upon a poll, or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

No member to vote if calls in arrears.

DIRECTORS.

87. The number of the Directors shall not be less than three or more than six.

Number of Directors.

88. If and so long as Royce, Limited, shall hold at least 10,000 fully paid £1 shares, Royce, Limited, shall be entitled to appoint three Directors, and from time to time by writing left at the Company's office remove the Directors so appointed and fill vacancies among the Directors so appointed. Should the same occur, and if and so long as the Honourable C. S. Rolls or his legal personal representatives shall hold a like amount of shares he or they shall be entitled to appoint three Directors, and from time to time by writing left at the Company's office remove the Directors so appointed and fill vacancies (if any) among the Directors so appointed in like manner. The first Directors shall be Mr. Frederick Henry Royce and Mr. Ernest Alexander Claremont, who shall be treated as if appointed by Royce, Limited, and the Honourable

Power to appoint directors vested in founders.

C. S. Rolls and Mr. Claude Johnson, who shall be treated as if appointed by the said Charles Stewart Rolls.

Remuneration of Directors.

89. Each of the Directors appointed by these articles or by Royce, Limited, or C. S. Rolls or his executors under the provisions herein contained, shall be paid out of the funds of the Company for their services at the rate of £150 per annum. Other Directors shall in like manner be paid such remuneration as shall be determined by the members in General Meeting. In addition to the above remuneration the Directors shall be paid reasonable travelling and hotel expenses involved in journeying from London to Manchester or from Manchester to London, for the purpose of attending Board meetings.

Continuing Directors to act.

90. The continuing Directors may act notwithstanding any vacancy in their body.

Office vacated in certain events.

91. The office of a Director other than those appointed under Article 88 shall, *ipso facto*, be vacated:—

- (A) If he, without the sanction of any General Meeting, accepts or holds any other office under the Company, except that of Managing Director, or Departmental or Works Manager or Trustee, whether for the Company or for the holders of any of its debentures, debenture stock, or other securities;
- (B) If he become bankrupt or suspends payment or compounds with his creditors;
- (C) If he be found lunatic or becomes of unsound mind;
- (D) If he absent himself from the meetings of the Directors during a period of six calendar months without special leave of absence from the Directors;
- (E) If by notice in writing to the Company he resigns his office.

Directors not disqualified by interest.

92. No Director shall be disqualified from his office by contracting with the Company, either as vendor, purchaser, or otherwise (and that on his own account, or as agent for another) nor shall any such contract, or any contract or arrangement entered into, by, or on behalf of the Company with any company in which any Director shall be in any way interested be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of

the fiduciary relations thereby established, but it is declared that the nature of his interest be disclosed by him at the meeting of Directors at which the contract or arrangement is determined on if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest, and it is hereby expressly declared that a Director shall (subject to his interest being disclosed as aforesaid) be at liberty to vote in respect of any contract or arrangement in which he is so interested as aforesaid, and his vote shall be counted. A general notice that a Director is a member of any specified firm or company, and is to be regarded as interested in all transactions with that firm or company, shall be a sufficient disclosure under this clause as regards such Director and the said transactions, and after such general notice it shall not be necessary for such Director to give a special notice of any particular transaction with that firm or company.

MANAGING DIRECTORS.

93. The said Frederick Henry Royce shall be Managing Director of the Company on and subject to the terms of the above-mentioned Agreement, a draft of which is signed by Albert William Claremont, solicitor, of the Supreme Court of Judicature. While acting as such Managing Director the said F. H. Royce shall be paid for his services out of the funds of the Company at the rate provided in the said draft Agreement.

Mr. F. H. Royce to be first Managing Director.

94. If and as soon as the said F. H. Royce shall cease to be the Managing Director of the Company, the Directors may, from time to time, appoint one or more of their body to be Managing Director or Managing Directors of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold office, and may from time to time remove or dismiss him or them from office, and appoint another or others in his or their place or places.

Subsequent Managing Directors.

95. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, and he shall not be taken into account in determining the rotation of retirement of Directors, but he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he cease to hold the office of Director from any cause he shall *ipso facto* and immediately cease to be a Managing Director.

Managing Director not to retire.

96. The remuneration of a Managing Director other than the said Frederick Henry Royce, shall from time to time be fixed by the

Remuneration of subsequent

Managing Director. Directors or by the Company in General Meeting, and may be by way of salary or commission or participation in profits or by any or all of those modes.

Powers delegated to Managing Director. 97. The Directors may from time to time entrust to and confer upon a Managing Director for the time being, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with, or to the exclusion of, and substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter, or vary all or any of such powers.

PROCEEDINGS OF DIRECTORS.

Meetings of Directors. 98. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined, two Directors shall form a quorum. A Director may at any time, and the Secretary upon the request of a Director shall, convene a meeting of the Directors. Unless the Director calling such meeting or the Secretary shall think it necessary or desirable to call the meeting earlier, seven days' notice shall be given calling a meeting of the Directors. A notice for this purpose shall be deemed to be served on the day on which it is posted.

Votes of Directors. 99. Questions arising at any meeting shall be decided by a majority of votes, and the chairman shall in no case have a second or casting vote.

Election of chairman. 100. The Directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be chairman of such meeting.

Quorum may act. 101. A meeting of Directors for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, and discretions by or under the regulations of the Company for the time being, vested in or exercisable by the Directors generally.

Special
powers of
Directors.

107. Without prejudice to the general powers conferred by the last preceding clause, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power—

- (1) To pay the costs, charges and expenses, preliminary and incidental, to the promotion, formation, establishment and registration of the Company ;
- (2) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at or for such price or consideration, and generally on such terms and conditions as they think fit ;
- (3) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, or in bonds, debentures, debenture stock, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon ;
- (4) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any part of the property of the Company and its unpaid capital for the time being ;
- (5) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents, and servants as they may from time to time think fit, and to determine their duties and powers, and fix their salaries or emoluments, and to require security in such instances, and to such amount as they think fit ;
- (6) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof ;
- (7) To appoint any person or persons (whether incorporated or not incorporated) to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustees ;

- (8) To institute, conduct, defend, compound, or abandon any legal proceedings by and against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company ;
- (9) To make and give receipts, releases, and other discharges for money payable to the Company, and for the claims and demands of the Company ;
- (10) To determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts, and documents on behalf of the Company ;
- (11) To execute in the name and on behalf of the Company in favour of any Director, or other person who may incur, or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale, and such other powers, covenants, and provisions as shall be agreed upon ;
- (12) To give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction, or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company ;
- (13) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper as a reserve fund to meet contingencies or for special dividends, or for equalizing dividends, or for repairing, improving, and maintaining any of the property of the Company and for other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company, and (subject to Clause 4 hereof) to invest the several sums so set aside upon such investments as they may think fit, and to employ the reserve fund or any part thereof in the business of the Company, and that without being bound to keep the same separate from the other assets ;
- (14) To delegate their powers and duties for any special purpose or purposes, and either generally or specifically to any one

or more of themselves, or to any officer of the Company or other person ;

- (15) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for, or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

SECRETARY.

Mr John
De Looze
first
Secretary.

108. Mr. John De Looze, of Royce, Ltd., Cooke Street, Hulme, Manchester, shall be the first Secretary of the Company who shall hold office at the pleasure of the Directors.

Appoint-
ment by
Directors.

109. The Directors may, whenever they deem it expedient, appoint a temporary substitute for the Secretary who shall for the purposes of these presents be deemed the Secretary.

CAPITAL.

Division of
capital into
classes.

110. The capital of the Company shall be divided into 33,000 Preference Shares of £1 each, 22,000 Ordinary Shares of £1 each, and 5,000 Deferred Shares of £1 each, having such respective rights as in these articles is provided.

DIVIDENDS.

Rights of
several
classes to
dividends.

111. The profits of the Company earned in each year shall (subject to the powers of the Directors to create a reserve fund and to retain and carry forward such sums as they may think fit) be applied in the order of priority and in manner following (that is to say) :—

First, in paying to each of the holders of Preference Shares a dividend of 6 per cent. per annum on the amount for the time being paid up on such shares held by him ;

Secondly, in paying to each of the holders of Ordinary Shares a dividend of 6 per cent. per annum on the amount for the time being paid up on such shares held by him ;

Thirdly, in paying to each of the holders of the Preference Ordinary and Deferred Shares, as one class, a further dividend, so far as the said profits will extend, on the amount for the time being paid up on the shares held by him.

112. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits. No additional dividend on calls paid in advance.

113. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits. Dividend to be declared by Company in General Meeting.

114. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. Must not be larger than that recommended by Directors.

115. No dividend shall be payable except out of the profits of the Company, and no dividend shall carry interest as against the Company. Only payable out of profits.

116. The Directors may from time to time pay to the members on account of the next forthcoming dividend such interim dividends as in their judgment the position of the Company justifies. Interim dividends.

117. A declaration by the Directors that the Company has, in their opinion, made profits to justify the payment of any dividends shall be conclusive as between the members and the Directors. Declaration by Directors as to profits.

118. The Directors may retain the dividends payable upon shares or stock in respect of which any person is, under the transmission clause, entitled to become a member, or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or stock, or shall duly transfer the same. Retention of dividends till person entitled is registered.

119. In case several persons are registered as the joint holders of any share or stock, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share or stock. Payable to first name of joint holders.

120. A transfer of shares or stock shall not pass the right to any dividend declared thereon before the registration of the transfer. Transfer of shares not effective as to dividend until registered.

Notice of
dividend to
be given.

121. Notice of declaration of any dividend, whether interim or otherwise, shall be given to the holders of registered shares and registered stock in manner hereinafter provided.

Dividends
to be sent
by cheque
at members'
risk.

122. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled, or in case of joint holders to the one of them first named in the register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. Any such cheque having been duly addressed and posted shall be at the risk of the member.

ACCOUNTS.

Books to be
kept.

123. The Directors shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matter in respect of which such receipt and expenditure takes place, and of the assets, credits, and liabilities of the Company. The books of account shall be kept at the registered office of the Company, or at such other place or places as the Directors think fit.

Right of
inspection.

124. The Directors shall from time to time determine whether and to what extent and at what times and places, and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members (not being Directors), and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in General Meeting. Every Director shall have the right at all reasonable times of inspecting the accounts, books, and other documents of the Company.

Annual
balance
sheet.

125. At the ordinary meeting in every year the Directors shall lay before the Company a balance sheet containing a summary of the property and liabilities of the Company made up to a date not more than four months before the meeting.

Report of
Directors.

126. Every such balance sheet shall be accompanied by a Report of the Directors as to the position of the Company, and as to the amount (if any) which they recommend to be paid out of the profits, by way of dividend, to the members, and the amount (if any) which they propose to carry to the reserve fund, and the report and balance sheet shall be signed by two Directors and countersigned by the Secretary.

127. A copy of every such balance sheet and report shall, seven days previously to the meeting, be served on each of the registered holders of 1,000 shares or upwards in the manner in which notices are hereinafter directed to be served.

AUDIT.

128. Once, at least, in every year the accounts of the Company shall be examined, and the correctness of the balance sheet ascertained by one or more auditor or auditors. Yearly audit.

129. The Company at each ordinary meeting shall appoint an auditor or auditors to hold office until the next ordinary meeting, and the following provisions shall have effect (that is to say) :— Appointment of auditors, and their duties and powers.

- (1) If an appointment of auditors is not made at any particular ordinary meeting the Board of Trade may, on the application of any member of the Company, appoint an auditor for the current year, and fix the remuneration to be paid to him by the Company for his services ;
- (2) A Director or officer of the Company shall not be capable of being appointed auditor ;
- (3) The first auditors may be appointed by the Directors before the statutory meeting, and, if so appointed, shall hold office until the first ordinary meeting, unless previously removed by a resolution of the shareholders in General Meeting, in which case the shareholders at such meeting may appoint auditors ;
- (4) The Directors may fill any casual vacancy in the office of auditor, but, while any such vacancy continues, the surviving or continuing auditor or auditors (if any) may act ;
- (5) The remuneration of the auditors of the Company shall be fixed by the Company in General Meeting, except that the remuneration of any auditors appointed before the statutory meeting, or to fill any casual vacancy, may be fixed by the Directors ;
- (6) Every auditor shall have a right of access at all times to the books and accounts and vouchers of the Company, and shall be entitled to require from the Directors and officers of the Company such information and explanation as may

be necessary for the performance of the duties of the auditors, and the auditors shall sign a certificate at the foot of the balance sheet, stating whether or not all their requirements as auditors have been complied with, and shall make a report to the shareholders on the accounts examined by them, and on every balance sheet laid before the Company in General Meeting during their tenure of office, and in every such report shall state whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by the books of the Company, and such report shall be read before the Company in General Meeting.

Audited
accounts
conclusive.

130. Every account of the Company when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and thenceforth shall be conclusive,

NOTICES.

Notices to
members.

131. A notice may be served by the Company upon any member, either personally, or by sending it through the post in a prepaid letter, addressed to such member at his registered place of address.

Address of
members in
United
Kingdom.

132. Each member whose registered place of address is not in the United Kingdom shall, from time to time, notify in writing to the Company an address in the United Kingdom which shall be deemed his registered place of address within the meaning of the last preceding clause.

Absence of
such
address.

133. As regards those members who have no registered place of address, a notice posted up in the office shall be deemed to be well served on them at the expiration of twenty-four hours after it is so posted up.

Notice by
advertisement.

134. Any notice required to be given by the Company to the members or any of them, and not expressly provided for by these presents, shall be sufficiently given if given by advertisement. Any notice required to be or which may be given by advertisement shall be advertised once in two London daily newspapers.

135. All notices shall with respect to any registered shares or registered stock to which persons are jointly entitled be given to ^{Notices to joint holders.} whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares or stock.

136. Any notice sent by post shall be deemed to have been ^{Time of service if by post.} served on the day following that on which the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into a post office receptacle for letters.

137. Every person who by operation of law, transfer, or other means whatsoever shall become entitled to any share or stock shall be bound by every notice in respect of such share or stock which, ^{Notices binding on share-holders' successors in title.} previously to his name and address being entered on the Register, shall be duly given to the person from whom he derives his title to such share or stock.

138. Any notice or document delivered or sent by post to, or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased, and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered shares or registered stock whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his executors or administrators, and all persons if any, jointly interested with him in any shares or stock. ^{Notices sent to address of deceased members.}

139. Where a given number of days' notice or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number ^{Day of service counted in length of notice.} of days or other period.

140. The signature to any notice to be given by the Company may be written or printed.

WINDING UP.

141. On the winding up of the Company the assets of the Company after discharging all liabilities shall be applied in order ^{Priority of rights of parties.} of priority and in manner following—

- (A) In paying to the holders of the Preference Shares the amounts paid up on the shares respectively held by them ;

- (B) In paying to the holders of Preference Shares such sum as will equal 6 per cent. per annum on the amount paid up on the shares held by them respectively from the date to which the then last accounts audited under the provisions as to audit herein contained were made up ;
- (C) In paying to the holders of the Ordinary Shares the amounts paid up on the shares respectively held by them ;
- (D) In paying to the holders of Ordinary Shares such sum as will equal 6 per cent. per annum on the amount paid up on their shares respectively from the date to which the then last accounts audited under the provisions as to audit herein contained were made up ;
- (E) In paying to the holders of the Deferred Shares the amounts paid up on such shares held by them respectively.
- (F) The surplus shall be divided between the holders of the Preference, Ordinary and Deferred Shares as one class in proportion to the amounts paid up on the shares held by them respectively.

Division of
assets in
specie.

142. If the Company should be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of an extraordinary resolution divide among the contributories in specie any part of the assets of the Company, and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories as the liquidators, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY.

Officers to
be indemnified.

143. Every Director, Manager, Secretary, or other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors, out of the funds of the Company, to pay, all costs, losses, and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or deed done by him as such officer or servant, or in any way in the discharge of his duties, including travelling expenses. A Director residing abroad shall be entitled to his reasonable expenses incurred by him in attending a meeting of the Directors, but so that such expenses shall not be increased by reason of his travelling from any place other than his usual residence.

144. No Director or other officer of the Company shall be ^{Officers} liable for the acts, receipts, neglects, or defaults of any other ^{liable for} Director or officer, or for joining in any receipt or other act for ^{their own} conformity, or for any loss or expense happening to the Company ^{acts only.} through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person with whom any moneys, securities, or effects shall be deposited, or for any loss or damage occasioned by any error of judgment or oversight on his part, or for any other loss, damage, or misfortune whatever which shall happen in the execution of the duties of his office, or in relation thereto, unless the same happen through his own dishonesty.

Names, Addresses, and Descriptions of Subscribers.

Charles Rolles, South Lodge, Rutland Gate, London, SW.
Dealers in motor cars.

W. H. Pryce Base Cottage Leigh Rd.
Warrington Engineers

E. Johnson. 120 N James Court, Buckingham Palace, London SW.
Manager of a motor business

E. A. Claremont Throttle Nest House
Old Trafford Manchester (Engineer)

R. D. Hulley, Albert Road, Levenshulme, Manchester
Engineer.

A. H. Llewellyn 4 Bloomsbury Square London W.C.

Chas. P. Johnson, 7 New Square Lincoln's Inn, London W.C.

Cecil L. Raymond Barber 9 New Square Lincoln's Inn, London W.C.

Dated this 15th day of March 1956

Witness to the signatures of Charles Stewart Rolles, Charles F. Johnson and Cecil Stewart Raymond Barber. Henry J. H. 9 New Square Lincoln's Inn, London W.C.

Witness to the signatures of W. H. Pryce, E. A. Claremont & R. D. Hulley
John D. Gooze Mayfield Parkfield Road New Moston Manchester
Chartered Secretary

Witness to the signatures of L. Johnson
& A. W. Claremont
L. H. Churcher
Elizabeth May Claremont Haynes
John
14 Moonsbury Square W.C.

DUPLICATE FOR THE FILE.

No. 87989



Certificate of Incorporation

I Herewith Certify, That the
Rolls-Royce Limited

is this day Incorporated under the Companies' Acts, 1862 to 1900, and that the Company is
Limited.

Given under my hand at London this

Fifteenth day of *March*

One Thousand Nine Hundred and *nine*.

Fees and Deed Stamps £ *20" 12" 6*

Stamp Duty on Capital £ *150" 0" 0*

H. F. Searle

Registrar of Joint Stock Companies.

Certificate received by

W. T. Churton

Plt. to General Stanger

4, Bloomsbury Square

Date

17/3/06