

No. 755216.

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

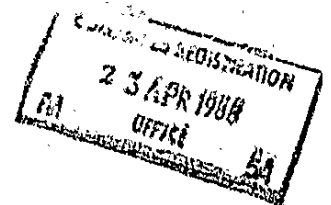
SPECIAL RESOLUTIONS

OF

PADDLE STEAM NAVIGATION LIMITED

PASSED THE 20th DAY OF FEBRUARY 1988.

At an Extraordinary General Meeting of the above named company, duly convened and held at Renfield Church Centre, Bath Street, Glasgow on the 20th February 1988 the following resolutions were duly passed:-



SPECIAL RESOLUTIONS

1. THAT the objects of the Company be altered by deleting Clause 3 of its memorandum of Association and by substituting in lieu thereof Clauses 3, 4, 7 and 8 (Clauses 4 and 5 - renumbered 5 and 6 - to remain) as set out in the print annexed hereto.

2. THAT the Articles of Association of the Company be altered in the following manner:-

(a) By amending Article 2 to provide that the Regulations numbered 2 to 6, 11 to 14, 15 to 21, 24, 33 to 39, 40 to 46, 53, 75, 77 to 79, 84 (1) to (4), 87, 88, 96 to 99, 108, 114 to 122, 128, 129 and 135 contained in Part 1 of Table A in the First Schedule to the Companies Act 1948 shall no longer apply to this Company.

(b) By omitting Articles 3, 4, 5, 21 and 22.

(c) By adding at the end of Article 6 (renumbered 3) the following Proviso:

Notwithstanding the provisions of this Article shares of the Company may be allotted or transferred to the Paddle Steamer Preservation Society or to any body corporate (including a company limited by guarantee) established for charitable purposes or the trustees of a charitable trust without any limitation as to the number of shares beneficially owned and such persons or corporations shall be persons qualified for membership of the Company.

(d) By inserting after Article 10 (renumbered 7) under the heading "TRANSMISSION ON DEATH" a new Article 8:

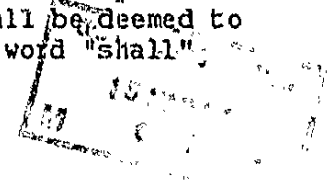
In Regulation 32 of Part 1 of Table A the words "dividends and other" and the words "and if the notice is not complied with within 90 days the Governing Body (directors) may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with" shall be deleted.

(e) By inserting in substitution for Article 14 a new Article renumbered 12:

The qualification of a director shall be that he or she shall be and remain a fully paid up member of the Paddle Steamer Preservation Society.

(f) By inserting after Article 17 (renumbered 15) a new Article 16:

In Regulation 76 of Part 1 of Table A the words "the remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day" shall be deleted and the word "shall" shall be substituted for "may also".



(g) By inserting at the end of Article 20(e) (renumbered 19(e)) under the heading "PROCEEDINGS OF DIRECTORS" a new Article 20:

In Regulation 102 of Part 1 of Table A there shall be added the words "All acts and proceedings of any such committee shall be reported to the directors as soon as possible".

(h) By renumbering the Articles appropriately throughout.

(i) By adding the following new Article numbered 22 under the heading "DISSOLUTION":

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.

(j) By adding at the end of the Articles the following declaration:

It is hereby agreed and declared that wherever reference is made throughout these Memorandum and Articles of Association to The Companies Act 1948 it shall wherever the context so admits mean and be deemed to mean reference to The Companies Act 1985 or any statutory modification or re-enactment thereof for the time being in force.

ANNEX

3. The objects for which the Company is established are for the public benefit to acquire, preserve and exhibit in sailing condition or otherwise one or more examples of paddle steamers or paddle propelled vessels (hereinafter called "paddle steamers") and to acquire, preserve and exhibit a collection of marine equipment and other appurtenances and material associated with them with a view to educating the public in the historical significance of paddle steamers in the Nation's maritime and industrial heritage and in furtherance of the foregoing objects but not otherwise the Company shall have the following powers:-

(A) To operate or arrange the operation of the paddle steamers in waters traditionally sailed by them

(B) To enable as wide a section of the public as possible to gain practical experience of sailing in paddle steamers and of exploring them

(C) To stimulate and arouse interest in paddle steamers throughout the world by public meetings, publications, exhibitions and any other means by encouraging research into their history and providing the means whereby models plans photographs and other appropriate items may be preserved and exhibited

(D) To purchase, take on lease or in exchange hire or otherwise to acquire any real and personal estate which may be deemed necessary or convenient for any of the purposes of the Company provided that in case the Company shall desire to hold more land than the law shall for the time being permit it to hold without licence of the relevant authority such licence shall be obtained

(E) To construct maintain or alter any houses buildings vessels or works necessary or convenient for the purposes of the Company

(F) To take any gift of property whether subject to any special charitable trust or not for any one or more of the objects of the Company

(G) To take such steps by personal or written appeals public meetings or otherwise as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the Company in the shape of donations annual subscriptions or otherwise PROVIDED that the Company shall not undertake any permanent trading activities in raising funds for its charitable objects

(H) To print and publish any newspapers periodicals books or leaflets

(I) To sell manage lease mortgage dispose of or otherwise deal with all or any part of the property of the Company

(J) To borrow and raise money in such manner as the Company may think fit for the purposes of the Company

(K) To invest the moneys of the Company not immediately required for its purposes in or upon such investments securities or property as may be thought 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 and subject also as hereinafter provided

(L) To undertake and execute any trusts or any agency business which may lawfully be undertaken by the Company

(M) To establish and support and to aid in the establishment and support of any other charities formed for all or any of the objects of the Company

(N) To do all such other lawful things in furtherance of the attainment of the above objects or any of them and which may lawfully be done by a body established for charitable purposes only

Provided that:-

(1) In case the Company shall take or hold any property which may be subject to any trusts the Company shall only deal with or invest in the same in such manner as allowed by law having regard to such trusts

(2) The Company's objects shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.

(3) In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales the Company shall not sell, mortgage, charge, or lease the same without such authority approval or consent as may be required by law and as regards any such property the Governing Body of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects, defaults and for the due administration of such property in the same manner and to the same extent as such Governing Body would have been if no incorporation had been effected and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such Governing Body, but they shall as regards any such property be subject jointly and separately to such control or authority as if the Company were not incorporated.

4. The income and property of the Company shall be applied solely towards the promotion of its objects 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 shareholders of the Company and no member of its Governing Body shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or benefit or money's worth from the Company. Provided that nothing herein shall prevent any payment in good faith by the Company:

(a) of reasonable and proper remuneration to any shareholder, officer or servant of the Company (not being a member of its Governing Body) for any service rendered to the Company

(b) of interest at a rate not exceeding six per centum per annum on money lent or reasonable and proper rent for premises demised or let by any shareholder of the Company or its Governing Body

(c) to any member of its Governing Body for out of pocket expenses

(d) to a company of which a member of its Governing Body may be a member holding no more than one hundredth part of the capital of such company.

7. If upon winding up or dissolution of the Company there remains after satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or distributed among the shareholders of the Company but shall be given or transferred to some other Charitable Institution or Institutions having objects similar to the objects of the Company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 hereof such institution or institutions to be determined by the Company at or before the time of dissolution and if insofar as effect cannot be given to such provisions shall be transferred to the Maritime Trust

8. True accounts shall be kept of the sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure takes place of all sales and purchases of goods by the Company and of the property credits and liabilities of the Company and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Company for the time being such accounts shall be open for inspection of the shareholders. Once at least in every calendar year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

J. M. Gold

Director & Secretary