

No: 01739344

THE COMPANIES ACT 1985 (AS AMENDED)

Company limited by shares

---

RESOLUTION

of

PUNCH RETAIL (LODGES) LIMITED

---

At an Extraordinary General Meeting of the above-named Company duly convened and held on 5th July, 2000 the following special resolutions were passed:

**Special Resolution**

1. That the name of the Company be changed to Punch Travel Inn Limited.

**Ordinary Resolutions**

2. That, subject to resolution 4 having been duly passed:-
- (a) each of the two (2) existing issued ordinary shares of £1.00 each in the capital of the Company be and are hereby converted into and redesignated as an A ordinary share of £1.00 each;
  - (b) two (2) of the unissued ordinary shares of £1.00 each in the capital of the Company be and are hereby converted into and redesignated B ordinary shares of £1.00 each;
  - (c) each of the remaining ninety six (96) existing unissued ordinary shares of £1.00 each in the capital of the Company be and are hereby converted into and redesignated as an A preference share of £1.00 each,

in each case such shares as are converted and redesignated having the rights and being subject to the restrictions set out in the Articles of Association adopted pursuant to resolution 4.

3. That, subject to resolution 4 having been duly passed, the authorised share capital of the Company be increased to fifty million pounds (£50,000,000) by the creation of 24,999,902 A Preference Shares of £1.00 each and 24,999,998 B Preference Shares of £1.00 each having the rights and being subject to the restrictions set out in the Articles of Association adopted pursuant to resolution 4 below.

SLAUGHTER AND MAY

35 BASINGHALL STREET


LONDON EC2V 5DB

APPROVED



### Special Resolution

4. That the Articles of Association the Company in the form produced to the Meeting and initialled by the Chairman for the purposes of identification only be and are hereby adopted as the Company's Articles of Association in substitution for the existing Articles of Association of the Company.



.....  
Chairman of the meeting

X MNJX

## ARTICLES OF ASSOCIATION

of

### PUNCH TRAVEL INN LIMITED<sup>1</sup>

(Articles adopted on 5th July 2000 )

#### 1. Adoption of Table A

In these articles "Table A" means Table A scheduled to the Companies (Tables A to F) Regulations 1985 as amended prior to the date of adoption of these articles. The regulations contained in Table A shall, except where they are excluded or modified by these articles, apply to the company and, together with these articles, shall constitute the articles of the company. No other regulations set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or articles of the company.

#### 2. Interpretation

2.1 In these articles, "Business Day" means a day (other than a Saturday or Sunday) on which banks are open for business (other than solely for trading and settlement in euro) in London.

2.2 In these Articles:-

- (A) "A Shares" means A ordinary shares of £1.00 each;
- (B) "A Preference Shares" means A redeemable preference shares of £1.00 each;
- (C) "B Shares" means B ordinary shares of £1.00 each;
- (D) "B Preference Shares" means B redeemable preference shares of £1.00 each;
- (E) "Ordinary Shares" means the A Shares and the B Shares.

---

<sup>1</sup> The Company changed its name from Punch Retail (Lodges) Limited to Punch Travel Inn Limited pursuant to a special resolution passed on 5th July, 2000.

- 2.3 Words and expressions which bear particular meanings in Table A shall bear the same meanings in these articles.
- 2.4 Headings are for convenience only and shall not affect construction.
- 2.5 A member represented at a general meeting by a duly authorised corporate representative shall be deemed to be present in person.
- 2.6 If, and for so long as, the company has only one member, these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to such a company.

### **3. Authorised Share Capital**

- 3.1 The authorised share capital of the company at the date of adoption of these articles is £50,000,000 divided into 2 A Shares of £1.00 each, 2 B Shares of £1.00 each, 24,999,998 A Preference Shares of £1.00 each and 24,999,998 B Preference Shares of £1.00 each.
- 3.2 The authorised share capital shall consist only of A Shares, B Shares, A Preference Shares and B Preference Shares. Regulation 32(a) of Table A shall be modified accordingly and regulations 32(b) and (c) and regulation 33 of Table A shall not apply.

### **4. Rights Attached to Shares**

- 4.1 The A Shares and the B Shares shall each carry the respective voting rights and rights to appoint and remove directors set out in these articles but in all other respects shall be identical and rank pari passu as one class of shares.
- 4.2 The A Preference Shares and the B Preference Shares shall:-
  - (A) be entitled to the right to receive out of the profits of the Company available for distribution and from time to time determined to be distributed by way of dividend a fixed cumulative preferential dividend of three (3) per cent. per annum on the amount for the time being paid up or credited as paid up thereon, which dividend shall be payable on 31st March and 30th September (the "Payment Dates") in each year (calculated on the basis of a 365 day year), and which shall be payable, together with any arrears thereof or deficiency therein calculated down to the date of the immediately preceding Payment Date, in priority to any dividend payable on any other shares for the time being in issue; and
  - (B) be entitled to the right on a return of capital on a winding up to repayment of the capital paid up or credited as paid up thereon and of any arrears of or deficiency in the said fixed cumulative preferential dividend calculated down to the date of the commencement of the

winding up, whether such dividend shall have been declared or not, in priority to all other shares in issue; and

- (C) not be entitled to any further or other right to participate in the profits or assets of the Company; and
- (D) not entitle the holders thereof to receive notice of or attend or vote at any general meeting of the Company except in respect of any resolution affecting the class rights attached to such shares, when on a show of hands each holder thereof present in person or by proxy shall have one vote and on a poll each holder thereof present in person or by proxy have one vote for each such share of which he is the holder.

4.3 No shares may be issued other than A Preference Shares and B Preference Shares ranking *pari passu* with the A Preference Shares and the B Preference Shares respectively already in issue. Regulation 2 of Table A shall not apply.

4.4 Subject to the provisions of the Act, all or any of the rights for the time being attached to any class of shares may from time to time (whether or not the company is being wound up) be varied either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares. All the provisions of these articles as to general meetings of the company shall, with any necessary modifications, apply to any such separate general meeting, but so that the necessary quorum shall be one holder present in person or by proxy.

## **5. Issue of Shares**

5.1 The issued share capital of the company shall always consist of A Shares and B Shares in equal proportions and A Preference Shares and B Preference Shares in equal proportions. Unissued A Preference Shares and B Preference Shares shall be issued in these proportions.

5.2 On each occasion A Preference Shares and B Preference Shares shall be issued at the same price and on the same terms. A Preference Shares shall only be issued to an existing holder of A Preference Shares and B Preference Shares shall only be issued to an existing holder of B Preference Shares.

5.3 No right to subscribe for, or convert any security into, a share shall be allotted or issued without the prior consent in writing of each of the members.

## **6. Initial Authority to Issue Relevant Securities**

Subject to the provisions of these articles, the directors are unconditionally authorised to exercise all powers of the company to allot relevant securities. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital

at the date of adoption of this article or such other amount as may from time to time be authorised by the company in general meeting. The authority conferred on the directors by this article shall remain in force for a period of five years from the date of adoption of this article but may be revoked varied or renewed from time to time by the company in general meeting in accordance with the Act.

**7. Exclusion of Rights to Offers on a Pre-emptive Basis**

Section 89(1) of the Act shall not apply to the allotment by the company of any equity security.

**8. Commissions**

No commission shall be paid by the company to any person in consideration of his subscribing or agreeing to subscribe for any shares or procuring or agreeing to procure subscriptions for any shares. Regulation 4 of Table A shall not apply.

**9. Fully Paid Shares**

No share shall be issued partly paid. Regulations 8 to 22 (inclusive) of Table A shall not apply.

**10. Restrictions On Dealing With Shares**

10.1 No disposal of any share or any legal or beneficial interest in a share shall be permitted except a transfer of the entire legal and beneficial interest in the share made with the consent in writing of all the members.

10.2 "Disposal" shall include, without limitation:

- (A) sale, assignment or transfer;
- (B) creating or permitting to subsist any pledge, charge, mortgage, lien or other security interest or encumbrance;
- (C) creating any trust or conferring any interest;
- (D) any agreement, arrangement or understanding in respect of votes or the right to receive dividends;
- (E) the renunciation or assignment of any right to receive a share or any legal or beneficial interest in a share; and
- (F) any agreement to do any of the above, except an agreement to transfer shares which is conditional on compliance with these articles.

**11. Ineligible persons**

No allotment or transfer of any share shall be made to any person who is not a body corporate

**12. Transfer of Shares**

Any transfer of shares made in accordance with these articles shall be registered promptly. The directors shall decline to register any transfer of shares which is not made in accordance with these articles. Regulations 26 and 29 to 31 (inclusive) of Table A shall not apply.

**13. Alteration of Capital and Purchase of Own Shares**

Any alteration of share capital or purchase by the company of its own shares shall be effected so as to maintain an issued share capital comprised of A Shares and B Shares in equal proportions. Regulations 32, 33, 34 and 35 of Table A shall be modified accordingly.

**14. Calling General Meetings**

The directors may, and on the requisition of any holder of Ordinary shares the directors shall, call a general meeting. Regulation 37 of Table A shall be modified accordingly.

**15. Quorum at General Meetings**

15.1 Except when the company has only one holder of Ordinary Shares, the quorum at any general meeting or adjourned general meeting shall be two persons, of whom one shall be a holder of A Shares present in person or by proxy and one shall be a holder of B Shares present in person or by proxy. Any holder of Ordinary Shares may only be counted in the quorum once, notwithstanding that he may also be acting as a proxy or corporate representative for another holder of Ordinary Shares, and a proxy or corporate representative who is not a holder of Ordinary Shares may only be counted in the quorum once, notwithstanding that he may be acting as proxy or corporate representative for more than one holder of Ordinary Shares.

15.2 If, and for so long as, the company has only one holder of Ordinary Shares, that holder of Ordinary Shares present in person or by proxy shall be a quorum at any general meeting of the company or of the holders of any class of shares.

15.3 If a quorum is not present within half an hour (or such longer time as the persons present may all agree to wait) from the time appointed for any general meeting, or if during a general meeting a quorum ceases to be present, the meeting shall be dissolved.

- 15.4 Regulation 40 of Table A shall be modified accordingly. Regulation 41 of Table A shall not apply.

**16. Polls**

- 16.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by any holder of Ordinary Shares and a demand by a person as proxy for a holder of Ordinary Shares shall be the same as a demand by the holder of Ordinary Shares. Regulation 46 of Table A shall not apply.
- 16.2 A poll demanded on any question shall be taken forthwith. Regulations 51 and 52 of Table A shall not apply.

**17. Votes of Members**

- 17.1 The chairman shall not be entitled to a casting vote in any circumstances. Regulation 50 of Table A shall not apply.
- 17.2 On a show of hands every holder of Ordinary Shares present in person or by proxy shall have one vote and a proxy or corporate representative shall have one vote for each holder of Ordinary Shares for whom he is acting as proxy or corporate representative, in addition to his own vote if he is a holder of Ordinary Shares. On a poll every holder of Ordinary Shares shall have one vote for every share of which he is the holder except as set out in articles 17.3 to 17.8 (inclusive).
- 17.3 No resolution of the holders of Ordinary Shares to remove from office any A Director shall be effective unless a poll is taken and, in respect of any such resolution, the members holding A Shares shall be entitled to cast ten votes in respect of each A Share held by them.
- 17.4 If any member holding A Shares is not present in person or by proxy when a poll is taken, the votes exercisable on that poll in respect of the A Shares shall be increased so that the A Shares held by the members present in person or by proxy when the poll is taken shall together entitle such members to the total aggregate number of votes exercisable in respect of all the A Shares.
- 17.5 No resolution of the holders of Ordinary Shares to amend article 17.3 or article 17.4 shall be effective unless a poll is taken and, in respect of any such resolution, the members holding A Shares shall be entitled to cast ten votes in respect of each A Share held by them.
- 17.6 No resolution of the holders of Ordinary Shares to remove from office any B Director shall be effective unless a poll is taken and, in respect of any such resolution, the members holding B Shares shall be entitled to cast ten votes in respect of each B Share held by them.



- 17.7 If any member holding B Shares is not present in person or by proxy when a poll is taken, the votes exercisable on that poll in respect of the B Shares shall be increased so that the B Shares held by the members present in person or by proxy when the poll is taken shall together entitle such members to the total aggregate number of votes exercisable in respect of all the B Shares.
- 17.8 No resolution of the holders of Ordinary Shares to amend article 17.6 or article 17.7 shall be effective unless a poll is taken and, in respect of any such resolution, the members holding B Shares shall be entitled to cast ten votes in respect of each B Share held by them.
- 17.9 Regulations 54, 56, 57 and 58 of Table A shall not apply.

## **18. Proxies**

- 18.1 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer and in any common form or in such other form as the directors may approve and shall be deemed to include authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates. Regulations 60 and 61 of Table A shall not apply.
- 18.2 The instrument appointing a proxy and any authority under which it is executed or a copy of the authority, certified notarially or in some other manner approved by the directors may be delivered:
- (a) to the office not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to act; or
  - (b) at that meeting;

and an instrument of proxy which is not so delivered shall be invalid. A faxed or other machine made copy of an instrument appointing a proxy shall be treated as such an instrument for the purpose of this article provided that it is received in a complete and legible form. Regulation 62 of Table A shall not apply.

## **19. Participation at General Meetings**

Any one or more holders of Ordinary Shares may participate in and vote at general meetings by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. Any holders of Ordinary Shares so participating in a meeting shall be deemed to be present in person and shall count towards the quorum. Such a meeting shall be deemed to take place where the largest group of those

participating is assembled or, if there is no such group, where the chairman of the meeting then is.

**20. Number of Directors**

Regulations 64 and 90 of Table A shall not apply.

**21. Alternate Directors**

21.1 The holders of a majority of the A Shares shall be entitled, by notice in writing to the company and to the holders of the B Shares, to appoint any person as an alternate director to attend, speak and vote on behalf of any A Director at any one or more meetings of the directors, and may remove from office an alternate director so appointed by them.

21.2 The holders of a majority of the B Shares shall be entitled, by notice in writing to the company and to the holders of the A Shares, to appoint any person as an alternate director to attend, speak and vote on behalf of any B Director at any one or more meetings of the directors, and may remove from office an alternate director so appointed by them.

21.3 Regulations 65 and 68 and the last sentence of regulation 66 of Table A shall not apply.

**22. Powers of Directors**

Subject to the provisions of the Act, the memorandum and these articles, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles shall invalidate any prior act of the directors which would have been valid if that alteration had not been made. The powers given by this article shall not be limited by any special power given to the directors by these articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors. Regulation 70 of Table A shall not apply.

**23. Delegation of Directors' Powers**

A committee of the directors must include at least one A Director and at least one B Director. No such committee shall have power to sub-delegate. Regulation 72 of Table A shall be modified accordingly.

**24. Appointment and Removal of Directors**

The holders of a majority of the A Shares shall be entitled, by notice in writing to the company and to the holders of the B Shares, to appoint up to three (3) Directors ("A Directors") and to remove any such appointee from time to time. The holders of a majority of the B Shares shall be entitled, by notice in writing to the company and to the holders of the A Shares, to appoint up to three

(3) Directors ("B Directors") and to remove any such appointee from time to time. Regulations 73 to 80 (inclusive) and 81(e) of Table A and references in Table A to retirement by rotation shall not apply.

**25. No Age Limit or Share Qualification**

No director shall be required to retire or vacate his office, and no person shall be ineligible for appointment as a director, by reason of his having attained any particular age. No shareholding qualification for directors shall be required.

**26. Appointment of Chairman**

The holders of a majority of the A Shares and the holders of a majority of the B Shares shall be entitled, by notice in writing to the company and to the holders of the other class of shares, to appoint a director to act as the Chairman of the board of directors on a rotating basis. Each such appointment shall be for a term of six (6) months. The first chairman shall be appointed by the holders of a majority of the B Shares. If any chairman ceases to hold that office during his term, the class of member which appointed him shall be entitled to appoint another director to fill that office for the remainder of the six (6) months term. The chairman shall preside at any directors' meeting and general meeting at which he is present. Regulation 91 of Table A shall be modified accordingly. The Chairman shall not have a casting vote.

**27. Remuneration of Directors**

No director shall be entitled to remuneration from the company for his services as a director. Regulations 82 and 87 of Table A shall not apply.

**28. Convening Directors' Meetings**

28.1 The directors shall hold meetings alternatively in London and Luton at least quarterly.

28.2 Wherever practicable, at least fifteen Business Days' notice of each meeting of the directors shall be given to each director entitled to attend and the notice shall be accompanied by an agenda and a board paper setting out in such reasonable detail as may be practicable in the circumstances the subject matter of the meeting. Breach of this article 28.2 shall not affect the validity of any meeting of the directors which has otherwise been validly convened.

28.3 Notice of a meeting of the directors shall be given to all directors including any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively. Regulation 88 of Table A shall be modified accordingly.

## **29. Quorum at Directors' Meetings**

- 29.1 No business shall be transacted at any meeting of the directors unless a quorum is present. A quorum shall exist at any directors' meeting if at least two A Directors and at least two B Directors are present or represented by an alternate. Regulation 89 of Table A shall not apply.
- 29.2 If a quorum is not present at a meeting of the directors at the time when any business is considered any director may require that the meeting be reconvened. At least five Business Days' notice of the reconvened meeting will be given in writing unless all the directors agree. At the reconvened meeting, a quorum shall exist with respect to those matters on the agenda which were not disposed of at the original meeting if any two or more directors are present or represented by an alternate.

## **30. Voting at Directors' Meetings**

No resolution of the directors shall be effective unless at least two (2) A Directors (or an alternate director attending the meeting on behalf of an A Director) and at least two(2) B Directors (or an alternate director attending the meeting on behalf of a B Director) shall have voted in favour of the resolution. Regulation 88 of Table A shall be modified accordingly. The Chairman shall not have a casting vote.

## **31. Directors' Interests**

- 31.1 A director shall not be counted in the quorum (nor shall his presence be required in order to constitute a quorum if it would otherwise be required under these articles), nor shall he be entitled to vote, in respect of any action by the company against the member who appointed him or any of its Affiliates or any action by the member who appointed him or any of its Affiliates against the company. Except in respect of any such action, a director present or represented by an alternate shall be counted in the quorum and be entitled to vote at a meeting of directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest or duty. Regulations 94 to 98 (inclusive) of Table A shall not apply.
- 31.2 "Affiliate" in relation to a member, means any body corporate over which that member has control, and control in relation to a body corporate means the ability of any person to ensure that the activities and business of that body corporate are conducted in accordance with the wishes of that person. A person shall be deemed to have control of a body corporate if it possesses or is entitled to acquire the majority of the issued share capital or the voting rights in that body corporate or the right to receive the majority of the income of that body corporate on any distribution by it of all of its income or the majority of its assets on a winding up.

## **32. Participation at Directors' Meetings**

Any one or more directors may participate in and vote at directors' meetings by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. Any director so participating in a meeting shall be deemed to be present in person and shall count towards the quorum. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

**33. Written Resolutions of Directors**

A resolution in writing signed by all the directors shall be as valid and effective for all purposes as a resolution passed by the directors at a meeting duly convened, held and constituted. The resolution may be contained in one document or in several documents in like form each executed by one or more of the directors concerned. A resolution signed by an alternate director need not also be signed by his appointer and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. Regulation 93 of Table A shall not apply.

**34. Official Seal**

The company may exercise all the powers conferred by the Act with regard to having any official seal for use abroad and such powers shall be vested in the directors. Subject to the provisions of the Act, any instrument to which an official seal is affixed shall be signed by such persons, if any, as the directors may from time to time determine.

**35. Accounts**

Regulation 109 of Table A shall not apply.

**36. Capitalisation of Profits**

Any capitalisation of profits shall be effected so as to maintain an issued share capital comprised of A Shares and B Shares in equal proportions. Regulation 110 of Table A shall be modified accordingly.

**37. Language**

General meetings and meetings of the directors and any committee shall be conducted in English. Notices (including accompanying papers) and minutes of such meetings shall be prepared in English.

**38. Notices**

- 38.1 Any notice to be given to or by any person pursuant to these articles shall only be effective if it is in writing. Regulation 111 of Table A shall not apply.

38.2 Any notice may be served on or delivered to any person under these articles:

- (A) personally; or
- (B) by leaving it for, or sending it by post (first class if inland and airmail if overseas) addressed to, a member at his registered address, the company at its registered office or a director at an address provided by the director for this purpose; or
- (C) by fax or e-mail to a number provided by the member, company or director for this purpose; or
- (D) by any other means authorised in writing by the member, company or director.

38.3 In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Regulations 112 and 116 of Table A shall not apply.

38.4 A member or director present in person or by proxy or alternate at any meeting of the company or of the holders of any class of shares in the company or at any meeting of directors shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called. Regulation 113 of Table A shall not apply.

### 39. Time of Service

39.1 Any notice given under these articles shall, in the absence of earlier receipt, be deemed to have been duly given as follows:

- (A) if delivered personally, on delivery;
- (B) if sent by first class inland post, two clear Business Days after the date of posting;
- (C) if sent by airmail, six clear Business Days after the date of posting;
- (D) if sent by telex, when despatched provided the intended recipient's answerback appears correctly at the start and end of the sender's telex; and
- (E) if sent by facsimile or e-mail, when despatched; and

any notice given under this agreement outside Working Hours in the place to which it is addressed will be deemed not to have been given until the start of the next period of Working Hours in such place. "Working Hours" means 9.30 a.m. to 5.30 p.m. on a Business Day.

39.2 Regulation 115 of Table A shall not apply.

**40. Officers' Insurance**

Subject to the provisions of the Act, the company may purchase and maintain for any director or other officer or auditor insurance against any liability.

CA003695264